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EXPANSION OF SCHOOL MILK PROGRAM IN FISCAL 1960 AND 1961



HEARING BEFORE THE SUBCOMMITTEE ON DAIRY AND POULTRY OF THE COMMITTEE ON AGRICULTURE HOUSE OF REPRESENTATIVES EIGHTY-SIXTH CONGRESS SECOND SESSION

ON
H.R. 9329, **H.R. 9331**, H.R. 9366, H.R. 9370,
H.R. 9469, H.R. 9496, H.R. 9498, H.R. 9553,
H.R. 9633, H.R. 9677, H.R. 9688, H.R. 9690,
H.R. 9694, H.R. 9699, H.R. 9766, H.R. 9769,
and H.R. 9771

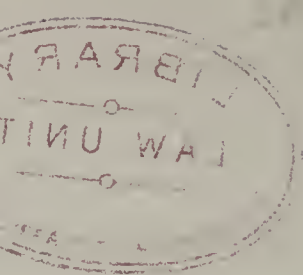
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EXPANSION OF SCHOOL MILK PROGRAM IN FISCAL 1960 AND 1961

WEDNESDAY, JANUARY 20, 1960

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON DAIRY AND POULTRY
OF THE COMMITTEE ON AGRICULTURE,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10:15 a.m., in room 1310, New House Office Building, Hon. Lester R. Johnson (chairman of the subcommittee) presiding.

Present: Representatives Johnson (presiding), Abernethy, Thompson, Hagen, Coad, Levering, McIntire, Dixon, and Quie.

Also present: Representatives Jennings, Hogan, Stubblefield, and Dague.

Christine S. Gallagher, clerk; Hyde H. Murray, assistant clerk, and John Heimburger, counsel.

Mr. JOHNSON (presiding). The committee will please come to order.

The hearing this morning is on a group of bills to increase the authorization for the children's milk program.

The bills before us this morning are as follows:

H.R. 9329, by Mr. Hogan; H.R. 9331, by myself; H.R. 9366 by Mrs. Pfost; H.R. 9370 by Mr. Quie; H.R. 9469 by Mr. Wolf; H.R. 9496 by Mr. Jennings; H.R. 9498 by Mr. Kastenmeier; H.R. 9553 by Mr. Roosevelt; H.R. 9633 by Mr. Hagen; H.R. 9677 by Mr. Cohelan; H.R. 9688 by Mr. McFall; H.R. 9690 by Mr. McGovern; H.R. 9694 by Mr. Clem Miller; H.R. 9699 by Mr. Saund; H.R. 9766 by Mr. Carnahan; H.R. 9769 by Mr. Hechler; and H.R. 9771 by Mr. Johnson of California.

These will be made a part of the record at this point.

(The bills referred to are as follows:)

[H.R. 9329, 86th Cong., 2d sess.]

A BILL To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in the schools", approved July 1, 1958, as amended (7 U.S.C., sec. 1446 note), is amended to read as follows: "That for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$90,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

[H.R. 9331, 86th Cong., 2d sess.]

A BILL To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in schools", approved July 1, 1958, as amended (7 U.S.C., sec. 1446 note), is amended to read as follows: "That for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$90,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high-school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

[H.R. 9366, 86th Cong., 2d sess.]

A BILL To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in the schools", approved July 1, 1958, as amended (7 U.S.C. 1446 note), is amended to read as follows: "That for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$90,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

[H.R. 9370, 86th Cong., 2d sess.]

A BILL To increase and make permanent the special milk program

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of Public Law 85-478 (72 Stat. 276), as amended, is amended to read as follows: "That for the fiscal year beginning July 1, 1958, not to exceed \$78,000,000, and for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, and for each fiscal year thereafter, not to exceed \$90,000,000 of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high school grade and under; and (2) in nonprofit nursery schools, child care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

[H.R. 9469, 86th Cong., 2d sess.]

A BILL To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in schools", approved July 1, 1958, as amended (7 U.S.C., sec. 1446 note), is amended to read as follows: "That for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$90,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

[H.R. 9496, 86th Cong., 2d sess.]

A BILL To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in schools", approved July 1, 1958, as amended (7 U.S.C., sec. 1446 note), is amended to read as follows: "That for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$90,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high-school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

[H.R. 9498, 86th Cong., 2d sess.]

A BILL To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in schools", approved July 1, 1958, as amended (7 U.S.C., sec. 1446 note), is amended to read as follows: "That for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$90,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high-school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

[H. R. 9553, 86th Cong., 2d sess.]

A BILL To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in schools", approved July 1, 1958, as amended (7 U.S.C., sec. 1446 note), is amended to read as follows: "That for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$90,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high-school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

[H.R. 9633, 86th Cong., 2d sess.]

A BILL To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in schools", approved July 1, 1958, as amended (7 U.S.C., sec. 1446 note), is amended to read as follows: "That for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$90,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high-school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

[H.R. 9677, 86th Cong., 2d sess.]

A BILL To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in schools", approved July 1, 1958, as amended (7 U.S.C. 1446 note), is amended to read as follows: "That for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$90,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high-school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

[H.R. 9688, 86th Cong., 2d sess.]

A BILL To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in schools", approved July 1, 1958, as amended (7 U.S.C. 1446 note), is amended to read as follows: "That for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$90,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high-school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

[H.R. 9690, 86th Cong., 2d sess.]

A BILL To increase and extend the special milk program

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of Public Law 85-478 (72 Stat. 276), as amended, is further amended to read as follows: "That for the fiscal year beginning July 1, 1958, not to exceed \$78,000,000, and for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, and for each fiscal year thereafter, not to exceed \$90,000,000 of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high-school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

[H.R. 9694, 86th Cong., 2d sess.]

A BILL To increase the authorized maximum expenditure for the fiscal year 1960 and 1961 under the special milk program for children

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in schools", approved July 1, 1958, as amended (7 U.S.C., section 1446 note), is amended to read as follows: "That for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$90,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high-school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

[H.R. 9699, 86th Cong., 2d sess.]

A BILL To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in schools", approved July 1, 1958, as amended (7 U.S.C. 1446 note), is amended to read as follows: "That for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$90,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high-school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

[H.R. 9766, 86th Cong., 2d sess.]

A BILL To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in schools", approved July 1, 1958, as amended (7 U.S.C., sec. 1446 note), is amended to read as follows: "That for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$90,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high-school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

[H.R. 9769, 86th Cong., 2d sess.]

A BILL To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in schools", approved July 1, 1958, as amended (7 U.S.C., sec. 1446 note), is amended to read as follows: "That for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$90,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high-school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

[H.R. 9771, 86th Cong., 2d sess.]

A BILL To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in schools", approved July 1, 1958, as amended (7 U.S.C. 1446 note), is amended to read as follows: "That for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$90,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high-school grade

up. And if the students have to pay more for the milk, there will be a decrease in milk consumption in the schools, particularly among children from low-income families. These are the youngsters who need the milk the most, because they very likely are not getting enough milk at home.

The direct relationship between the price the children pay for the milk and the amount they drink has been proven by studies conducted by the U.S. Department of Agriculture. I would like to quote from a USDA news story entitled "Special Milk Program Continues To Increase Children's Milk Consumption." It was released to the press on January 5, 1960, and the paragraph on the correlation between milk prices and consumption reads as follows:

Schools, nursery schools, settlement houses, summer camps and other child-care institutions have found that children want to drink more milk. The more opportunities found to serve milk at additional times during the day, the more milk the youngsters will drink. The opportunity to make milk available to them at a special price—lower than they would ordinarily pay—through operation of the special milk program has resulted in substantial extra sales and increased consumption by children.

The actual administration of the children's milk program by the Department of Agriculture has been excellent. Administrative procedures have been worked out to encourage broad participation by schools, summer camps, and child-care institutions.

Last year, however, Department of Agriculture policymakers tried to hold back the program. To use their own words, they wanted to "stabilize the program" by keeping expenditures at the level of \$75 million a year.

Such action would not result in a stabilization of the program. Rather, it would mean a gradual diminishing of the program, since the number of schools and the number of schoolchildren continue to increase. Any program such as the children's milk program cannot stand still. It either advances or it starts downhill.

When hearings were held before this subcommittee on January 24, 1956, on a proposal to increase the authorization for the program, I recall that Roy Lemartson, then Deputy Administrator of the USDA's Food Distribution Division, testified in favor of the fund increase. He noted that the President had reported in his farm message to Congress that this program to increase fluid-milk consumption by schoolchildren had met with gratifying success—both as a means of contributing to better health habits and as a means of expanding present and future farm markets. The President also recommended the children's milk program be extended and enlarged.

I find the administration's 1956 views on the children's milk program more realistic and forward looking than its 1959 views on the subject. On March 17, 1958, Mr. Clarence L. Miller stated before our committee:

In a period where it is highly essential that every possible economy be made in Federal expenditures, we feel that a \$75 million level for this program is adequate.

Instead of being satisfied with reaching a little over half of our schoolchildren with this milk program, we should be looking for ways and means of extending its benefits to more and more schools and child-care institutions.

On the opening day of the 2d session of the 86th Congress, I introduced a bill which would increase the amount of Commodity Credit Corporation funds that can be used for the children's milk program from \$81 million to \$85 million for fiscal 1960, and from \$85 million to \$90 million for fiscal 1961.

The first witness that we have this morning is Mr. Clarence L. Miller, Assistant Secretary of the Department of Agriculture.

Will you please come forward, Mr. Miller, together with those accompanying you?

Mr. MILLER. Thank you, Mr. Chairman.

Mr. JOHNSON. Will you identify yourself and those with you for the record?

Mr. MILLER. Mr. Chairman, I have with me at the table Mr. Roy W. Lennartson, Deputy Administrator for Marketing Services of the Agricultural Marketing Administration; Mr. Martin D. Garber, Director, Food Distribution Division, Agricultural Marketing Service; Mr. Howard P. Davis, Deputy Director, Food Distribution Division, Agricultural Marketing Service, and Mr. Nathan Koenig, special assistant to the Administrator, Agricultural Marketing Service.

We have a prepared statement, and when I have finished reading the prepared statement I would like to make some further remarks with respect to the bills.

Mr. JOHNSON. Do I understand you correctly that you would like to finish your complete statement before questions?

Mr. MILLER. Yes, if you please.

Mr. JOHNSON. Very well, you may proceed.

STATEMENT OF CLARENCE L. MILLER, ASSISTANT SECRETARY OF AGRICULTURE; ACCOMPANIED BY ROY W. LENNARTSON, DEPUTY ADMINISTRATOR FOR MARKETING SERVICES; MARTIN D. GARBER, DIRECTOR, FOOD DISTRIBUTION DIVISION; HOWARD P. DAVIS, DEPUTY DIRECTOR, FOOD DISTRIBUTION DIVISION, AGRICULTURAL MARKETING SERVICE; AND NATHAN KOENIG, SPECIAL ASSISTANT TO THE ADMINISTRATOR, AGRICULTURAL MARKETING SERVICE, U.S. DEPARTMENT OF AGRICULTURE

Mr. MILLER. Mr. Chairman and members of the committee, we in the Department of Agriculture appreciate this opportunity to discuss the special milk program and to comment on the several bills before this subcommittee to increase the amount of Commodity Credit Corporation funds available for the program in 1960 and 1961.

This has been a successful program, providing more adequate supplies of milk to children and broadening markets for the dairy industry.

Last year, over 81,000 schools, child-care institutions and summer camps were in the program and participating children consumed nearly 2.2 billion half pints of milk. That volume represents a little over 2 percent of annual fluid milk consumption.

Program costs, including administrative costs, were \$74.9 million in 1959. Expenditures for reimbursement purposes totaled \$74.3 million in 1959, about 12 percent higher than in 1958.

In order to come out on the program, is it necessary to have a \$3 million leeway?

Mr. MILLER. That is about what we estimate, Mr. Chairman, to enable us to have elbowroom, to turn around, and to actually allocate the available funds.

Mr. JOHNSON. If we had not given you the \$78 million, you could not have used the \$74.5 million in fiscal 1959?

Mr. MILLER. That is about right.

Mr. Chairman, in conclusion, I would like to give you our reaction to the bills before this committee for your consideration.

We have pointed out the need for stabilizing the program. And I made the statement that we were not in favor of the adoption of a permanent type of program for those reasons.

We are happy that we have the improvement shown in the dairy situation, which I mentioned earlier in the prepared statement.

We are taking, as I said, less cheese, butter, and dry skim milk under the price support program, and we are selling more in the cash markets of that which we do take under the price supports. This is witnessed by the fact that we ran out, at least temporarily, of our skim milk for foreign donation programs in the fall and sold it for cash, instead of donating it. The situation is better.

We are not out of the woods so far as the dairy situation is concerned. We still have a long way to go.

We in the department feel that this school milk program should be continued at about the present level of per capita contribution we spoke about, the 4-cent and 3-cent level. Taking into consideration the increase in population, this \$3 million figure, for the turnaround, that you just spoke of, we think that the figures contained in the bills, the majority of them, are about the figures that would be required to enable us to effectively distribute a sufficient amount of money to make that 4-cent and 3-cent reimbursement.

That is particularly true of this year. We will have an opportunity next year at this time to review the situation and reevaluate it again.

Mr. JOHNSON. Will \$3 million be sufficient for 1961? Most of the bills have \$90 million in them for 1961. Will that be a sufficient figure?

Mr. MILLER. We do not know yet, Congressman Johnson. Let me say that we as of now feel that this is a sufficient figure for discussion purposes to operate about as we have this year. And we will have an opportunity to come in next year and evaluate our position then to see if that is sufficient, whether we want to stabilize it or what we want to do.

Mr. JOHNSON. I might say that as soon as I saw the notice that came out in November I called the department. And the figure that I received at that time led me to think that \$90 million would be sufficient. But I understand you have made a survey since then of the schools participating as to what they feel they will need. I do not know whether those figures are available at this time or not, are they?

Mr. MILLER. Mr. Lennartson says that we have only made firm figures for this year.

Again, we can progress for 1960-61 as we did in 1959-60 and see if that comes out.

I also have some tables that I would like to insert in the record, Mr. Chairman.

No. 1 is entitled, "Average Daily Expenditure of Federal Funds, September–November, Fiscal Year 1960 Compared With the Same Period in Fiscal Year 1959 by States."

I also have an analysis by months, a comparison of monthly expenditures for the fiscal year 1959 with estimates for fiscal year 1960, which I would like to offer for the record.

I have a third one which is entitled, "Special Milk Program, Federal Expenditures, Fiscal Year 1959," which I should like to offer for the record. It spells out our situation.

Mr. JOHNSON. They will be included as part of the record at this point.

(The three tables referred to are as follows:)

Special milk program: Average daily expenditure of Federal funds, September–November, fiscal year 1960, compared with the same period in fiscal year 1959, by States

State	Fiscal year 1959	Fiscal year 1960	Percent in- crease, 1960 over 1959
Alabama.....	\$7,054	\$7,996	13.4
Alaska.....	107	158	47.7
Arizona.....	2,747	3,218	17.1
Arkansas.....	4,154	4,193	.9
California.....	41,955	45,932	9.5
Colorado.....	3,472	3,883	11.8
Connecticut.....	4,771	5,455	14.3
Delaware.....	1,137	1,377	21.1
District of Columbia.....	2,064	2,276	10.3
Florida.....	7,845	8,146	3.8
Georgia.....	6,129	6,763	10.3
Hawaii.....	1,062	1,148	8.1
Idaho.....	1,071	1,130	5.5
Illinois ¹	31,514	33,562	6.5
Indiana.....	10,266	11,457	11.6
Iowa.....	9,219	9,909	7.5
Kansas.....	4,882	5,362	9.8
Kentucky.....	7,498	7,708	2.8
Louisiana.....	2,949	3,361	14.0
Maine.....	1,845	2,054	11.3
Maryland.....	8,508	9,145	7.5
Massachusetts.....	16,246	17,137	5.5
Michigan.....	24,935	29,197	17.1
Minnesota.....	12,926	13,778	6.6
Mississippi.....	6,175	7,143	15.7
Missouri.....	12,284	13,543	10.2
Montana.....	837	892	6.6
Nebraska.....	2,595	2,895	11.6
Nevada.....	426	484	13.6
New Hampshire.....	1,237	1,425	15.2
New Jersey.....	10,582	12,947	22.3
New Mexico.....	3,589	3,912	9.0
New York.....	47,725	51,688	8.3
North Carolina.....	8,060	8,645	7.3
North Dakota.....	1,500	1,695	13.0
Ohio.....	27,051	30,687	13.4
Oklahoma.....	5,188	5,476	5.6
Oregon.....	2,894	3,106	7.3
Pennsylvania.....	19,874	22,357	12.5
Rhode Island.....	1,841	2,100	14.1
South Carolina.....	3,596	3,689	2.6
South Dakota.....	2,304	2,588	12.3
Tennessee.....	9,719	9,739	.2
Texas.....	14,616	15,065	3.1
Utah.....	1,140	1,442	26.5
Vermont.....	865	856	-1.0
Virginia.....	8,837	9,318	5.4
Washington.....	7,123	7,639	7.2
West Virginia.....	2,459	2,666	8.4
Wisconsin.....	15,923	17,066	7.2
Wyoming.....	886	861	-2.8
Total.....	433,682	474,269	9.4

¹ Partially estimated.

Special milk program: Comparison of monthly expenditures, fiscal year 1959, with estimates for fiscal year 1960

[In thousands of dollars]

Month	Fiscal year 1959		Fiscal year 1960 with no reduction in maximum rates of reimbursement		Fiscal year 1960 with ½-cent reduction in maximum rates of reimbursement effective Mar. 1	
	Monthly expenditures	Average daily expenditures	Monthly expenditures	Average daily expenditures	Monthly expenditures	Average daily expenditures
July.....	469		657		657	
August.....	478		600		600	
September.....	7,724	413	7,729	444	7,729	444
October.....	9,626	445	10,029	490	10,029	490
November.....	7,389	440	8,601	486	8,601	485
December.....	6,508	425	7,192	464	7,192	464
January.....	8,099	420	8,951	459	8,951	459
February.....	7,910	416	8,782	455	8,782	455
March.....	7,761	406	8,550	443	7,156	371
April.....	8,411	401	9,329	438	7,795	366
May.....	7,689	403	8,492	440	7,158	371
June.....	2,221	220	2,448	240	2,230	219
Total.....	74,285	413	81,360	452	76,880	427
Total including administrative.....	74,897		82,018		77,538	

Special milk program: Federal expenditures, fiscal year 1959

State	Amount	State	Amount
Alabama.....	\$1,105,758	Nebraska.....	\$445,813
Alaska.....	18,699	Nevada.....	74,090
Arizona.....	450,381	New Hampshire.....	211,215
Arkansas.....	664,537	New Jersey.....	1,959,694
California.....	7,224,858	New Mexico.....	604,062
Colorado.....	590,597	New York.....	8,624,513
Connecticut.....	835,412	North Carolina.....	1,320,758
Delaware.....	203,819	North Dakota.....	259,808
District of Columbia.....	371,335	Ohio.....	4,543,129
Florida.....	1,288,667	Oklahoma.....	844,441
Georgia.....	983,115	Oregon.....	479,948
Hawaii.....	173,449	Pennsylvania.....	3,509,697
Idaho.....	185,095	Rhode Island.....	312,110
Illinois.....	5,550,581	South Carolina.....	589,202
Indiana.....	1,741,516	South Dakota.....	382,509
Iowa.....	1,603,160	Tennessee.....	1,663,469
Kansas.....	811,230	Texas.....	2,373,403
Kentucky.....	1,244,629	Utah.....	188,467
Louisiana.....	463,837	Vermont.....	184,371
Maine.....	318,026	Virginia.....	1,473,631
Maryland.....	1,505,250	Washington.....	1,225,483
Massachusetts.....	2,801,086	West Virginia.....	398,959
Michigan.....	4,372,076	Wisconsin.....	2,744,890
Minnesota.....	2,098,955	Wyoming.....	142,134
Mississippi.....	1,020,115		
Missouri.....	1,996,946	Total.....	74,284,590
Montana.....	141,938		

Mr. JOHNSON. Are you through with your statement?

Mr. MILLER. Yes, sir; I am. That concludes our remarks.

Mr. JOHNSON. Mr. Quie.

Mr. QUIE. I notice on your chart entitled, "Special Milk Program, Average Daily Expenditure of Federal Funds," that it reads 22.3 percent increase for the State of New Jersey, and for the State of Utah 26.5 percent increase in 1960 over 1959. What was the reason for that large increase?

Mr. MILLER. Congressman Quie, could Mr. Davis cover that matter, having the figures at hand?

Mr. QUIE. Yes.

Mr. DAVIS. I think that your observation, Congressman Quie, bears out the statement that Mr. Miller made earlier that the increases in the States are uneven.

I think if you would look at this same table for several years ago you would have found that New Jersey, for example, was quite low. They did not progress as fast as some of the other States in the earlier years of the program. This last year they have put more emphasis on the program. They had more room for expansion due to the earlier low participation.

In the case of Utah which again demonstrates what can happen in this program, that increase is represented almost entirely by the entrance of Salt Lake City into the program this year for the first time. And that, together with the size of the population of the State, caused a very appreciable percentage increase to show up this year.

Mr. QUIE. Are there any other States that might make a sizable showing next year?

Mr. DAVIS. I am sure there very well may be. There are many factors that enter into what causes some of these expansions.

As Mr. Miller pointed out, we really have very little sound information on which to base any evidence of the increase for next year.

I will say this, that this kind of spotty picture has occurred every year so far. Some States have shown marked increases.

Mr. QUIE. Mr. Miller, I gather from your testimony that you feel that this program should be considered a price support mechanism for milk?

Mr. MILLER. That is correct; yes, sir.

Mr. QUIE. Do you still feel that the Federal Government should remain in the program?

Mr. MILLER. We should phase out of the program. We think that as the program matures, as the population trend levels out, and as the dairy situation improves, that we should give serious consideration to that. We think that we should phase it out.

Mr. QUIE. Do you think that the schools will pick up the responsibility, then, or do you think that they will eliminate the program?

Mr. MILLER. I think that the schools would assume the responsibility for it—that is, the States would assume that responsibility.

Mr. JOHNSON. I may have missed this in your statement, but did you come out for increases in this program?

Mr. MILLER. Yes, sir. We think it advisable to maintain the present level this year, and we will take a look at it again next year.

Mr. JOHNSON. Your idea is that after several more years to look at stabilizing it?

Mr. MILLER. I would not say several more years. As the situation improves—if the dairy price support program continues to show improvement, as it has in the past year or 2 years, that we ought to phase out, as it shows to continue to show improvement; yes, sir.

Mr. HAGEN. Am I correct in understanding that you support these bills, all of which are identical?

Mr. MILLER. Yes; we think it advisable to enact them.

Mr. HAGEN. For the record, this program is one of those so-called back-door approaches to the treasury, in other words, if we authorize a certain amount of money you are obliged to spend it; is that correct?

Mr. MILLER. It is permissible for us to do so, in order to accomplish the purposes of the legislation; yes, sir. That is right. We do not necessarily have to spend it. If we can effect the distribution for a less figure than that appropriated, why, we will do so. It is the 4-cent and 3-cent rate we are trying to maintain.

Mr. HAGEN. To maintain the current Federal contribution requires a larger authorization of CCC expenditures?

Mr. MILLER. Yes.

Mr. HAGEN. Would this program be more acceptable if the funds were provided through regular appropriation channels?

Mr. MILLER. This is for price support purposes. We ought to have money appropriated, or someone else could have the appropriation other than the Department of Agriculture, if it is going to be a permanent program for purposes of feeding the schoolchildren.

This is one of those things where we charge it up to the operation of the farm program. We should do so, so long as it is a price support measure.

Mr. JOHNSON. I have just one comment. As a school milk program farmers are for it, and the people in the city benefit from it. You cannot call this just a price support program. You have to consider the health angle.

Mr. HAGEN. Farmers also get a benefit from it.

Mr. JOHNSON. Yes, they get the benefit from it. The people of New York City and of every other city.

Mr. MILLER. We are still considering it a price support mechanism, Congressman Johnson. And I think that when we get over into this other area, why, we had better start reanalyzing where we charge it and what it is for. And that we should take all of these factors into consideration.

Mr. COAD. Since this announcement in November, are there any schools that have indicated that they would pick up the balance, or that any States would take up the other half cent, so that it would be a statewide program, so far as the schools are concerned?

Mr. MILLER. I have not received any communication relative to the allocation of the funds, except some inquiries that have been directed to Members of Congress. Mr. Garber could, probably, comment on that that.

Have you any indications as to what the States' attitude would be?

Mr. GARBER. No, sir; we have not received any communications so far as the State governments picking up the difference is concerned. There might be instances where the parent-teachers associations or the civic clubs or someone of that nature might pick up the difference.

Mr. COAD. The reason I asked the question was that Mr. Miller stated a while ago that you felt that as this program is phased out, if it is to be phased out, that the State-local governments would pick it up. I wanted to find out whether they would pick it up.

Mr. MILLER. I do not think that they will bother to do it, so long as there is a possibility of having it done under the price support mechanism. I do not think they will volunteer to do it.

Mr. COAD. I know that in relation to another program, in the State of Iowa, as soon as that money became available for indigent people, that the State legislature reduced the State matching amount to equal the dollar and cents, so that the people got just the same amount that they had before the Federal money came in. They had that much less. I just wondered if you had really any balanced judgment to go on with respect to that.

Mr. MILLER. We are saying that we think that this is a proper charge to the State, if it is going to supplement the diets of the American schoolchildren.

So long as we are operating it as a price-supporting mechanism, this is the proper place for it. If it ceases to be that and is to be placed somewhere else, we think that some other agency should handle it, and the State government should assume that responsibility.

Mr. COAD. You assume that they would and that they should.

Mr. MILLER. I have no way of knowing what they would do.

Mr. COAD. That is all.

Mr. MILLER. I cannot speak for them.

Mr. JOHNSON. There is one question that comes to my mind. You are now making reimbursements on the 4-cent and 3-cent basis. What did you do when the program first started?

I remember the first year that it was less.

Mr. MILLER. Mr. Davis again can answer that as to what rates we paid at the beginning, and any changes that he can recall.

Mr. DAVIS. The rates for the schools have remained the same since the beginning. However, we used a different basis on which to make those payments.

In the first year of the program, we used a historical base on the milk consumption the previous year, and then reimbursed above that amount.

Mr. JOHNSON. That penalized the schools that were already using the milk, did it not?

Mr. DAVIS. Yes, sir. Without going into detail, I think that we can safely say that it was a nightmare from the standpoint of administration and imposed serious problems on the States to the point that it discouraged many localities from coming into the program—witness the fact that when we changed the regulation to the system we now use, the program more than doubled—I think it expanded about 108 percent the next year.

Mr. JOHNSON. Do not the school people in the various States devote their time to this program so that it is probably less costly to the Federal Government from the administrative angle than any other farm program?

Mr. DAVIS. Certainly it does require a good deal of extra work on the part of the schools and on the part of the States. We feel that they have done a tremendous job with this program—a very enthusiastic job.

Mr. JOHNSON. We have it in practically all of the 50 States now, do we not?

Mr. DAVIS. At least, for the public schools, it is handled through the State educational authorities.

Mr. JOHNSON. And there is no possibility of it being paid out of the school money?

Mr. DAVIS. The only administrative expense that comes out of the authorization is for our Federal costs, except that we allow the schools to retain part of the reimbursement to pay for some of their costs within the school for the handling of the milk. But other than that—which perhaps pays only for refrigeration and some incidental expenses—other than that, the administrative costs are paid out of the State and local funds.

Mr. JOHNSON. In setting up the costs for a half pint of milk, are they allowed to figure that in? They get the 4 cents from the Federal Government. Suppose it costs them 5 or 7 cents, and there is the cost of refrigeration and transportation and so forth—they will be allowed to charge 4 cents for that to the child?

Mr. DAVIS. That is right.

Mr. JOHNSON. That is all.

Mr. QUIE. As to your November announcement, in case we provide funds you will rescind your announcement?

Mr. MILLER. Yes.

Mr. QUIE. The Congress will have to act by March 1 to put this bill into effect, then. How soon will we have to act in order that you might have time to make the new announcement?

Mr. MILLER. The announcement says that we would go to the 3.5 and 2.5 cents on March 1. It now looks as if we would have enough money to go until April, at that rate, without making the change.

Mr. QUIE. So we would have time to go through the usual procedure to get the bill through?

Mr. MILLER. I will let Mr. Davis tell you about that. He is telling me that we would have to change the regulations.

Mr. DAVIS. There are some mechanics involved in this, I think, that we would have to be definitely assured of the additional money by around the middle of February in order to notify the States, who in turn notify the schools, and get the matter published in the Federal Register, and so on. I think that would be our deadline.

Mr. QUIE. Thank you.

Mr. ABERNETHY. Mr. Miller, this program, as I recall, was inaugurated in 1954.

Mr. MILLER. Yes, sir.

Mr. ABERNETHY. And it was inaugurated at a time when the situation in the dairy industry, so far as the farmers were concerned, was considerably worse than it is now?

Mr. MILLER. That is correct.

Mr. ABERNETHY. It was pretty bad?

Mr. MILLER. Yes.

Mr. ABERNETHY. It was offered as a means of making a contribution toward alleviating that situation, to the end that it would develop increased consumption of milk?

Mr. MILLER. Yes.

Mr. ABERNETHY. And so when we put the program into effect—that is, when the Department did—the regulations required, as the act contemplated, that this money would be distributed for the purpose of providing for an extra glass of milk—that is true, is it not?

Mr. MILLER. In those schools that have a class A program. And those that did not, we would provide for the first glass. That is correct, in those schools.

Mr. ABERNETHY. In schools where they did not serve milk with their lunches at the time the program was inaugurated, you have now brought them in by providing funds for the original glass of milk?

Mr. MILLER. That is correct. That is 3 cents.

Mr. ABERNETHY. So you now have a discrimination which you have created—or we did—or both of us—by picking up the entire check for the milk in those schools that did not have it, whereas the school which did serve milk at the time, you continued to require them to take up the first glass, and we would take up a part of the second?

Mr. MILLER. Congressman Abernethy, you recall that in the \$110 million school-lunch appropriation, their proportional share of that, some of that was spent for the original glass of milk in the school lunch program.

Mr. ABERNETHY. That is for the original glass of milk in schools which already had a school milk program. Then it is in violation of the act, is it not, if it is done that way?

Mr. MILLER. I do not know.

Mr. ABERNETHY. It was to increase the then current level of consumption of milk, was it not?

Mr. MILLER. We think that they were using part of the original \$110 million for the purchase of this first pint of milk that they were serving. We know that they were.

Now, then, they are going to use this contribution of 4 cents per half pint if they will use the second half pint of milk.

So you have your additional second glass.

Where there was no school lunch program, we assumed—and properly so—that a relatively small quantity of milk is being consumed there anyway, and that if we paid for the first glass of milk in those schools where there were no school lunch programs, that we were getting an additional quantity of milk consumed.

Mr. ABERNETHY. I am not offering any criticism whatever as to the manner in which you are administering the program. That is not my purpose. I am saying that there are schools which had a milk program in connection with their school lunch program which now do not participate in this school milk program, unless they serve a second glass of milk.

Mr. MILLER. That is probably so.

Mr. ABERNETHY. And in the same county and in the same State there are other schools which did not serve the glass of milk, which we are now picking up the check for the first glass of milk. That is a correct statement?

Mr. MILLER. Of course, the second ones did not get any school lunch money to buy the milk with.

Mr. ABERNETHY. They had a lunch program, but they were not serving the milk.

Mr. MILLER. No, they have to serve that first one.

Mr. ABERNETHY. You require those schools, and correctly so—I am not criticizing—which were then serving the glass of milk when the program went into effect, to serve the second one out of the special school milk fund, or else they got no money?

Mr. MILLER. That is right.

Mr. ABERNETHY. In schools where you extended the program, that is, the special school milk program, which had no milk program, you are now picking up for them the cost of the first glass of milk?

Mr. MILLER. Yes, sir.

Mr. ABERNETHY. Let us say that you have one set of schools that we are treating in one manner, and we have another set of schools that we are treating in another manner.

Mr. MILLER. To a certain degree, that is correct. We are attempting to get an increased consumption of milk for the purpose of—

Mr. ABERNETHY. I realize that. This is not an entrapping question. I am simply wanting to establish for the record that you have a large number of schools which are serving a second glass of milk, in order to meet the requirements of the law, that is, an increased consumption of milk.

Mr. MILLER. Yes.

Mr. ABERNETHY. And if they serve that second glass of milk, there would not have been a compliance with the objective of the law; that is, to increase the milk consumption?

Mr. MILLER. That is correct.

Mr. ABERNETHY. Those that were not serving any milk, in order to increase the consumption, you have to give them funds to pick up the first glass of milk?

Mr. MILLER. You are correct.

Mr. ABERNETHY. I have had some complaints about that. I think every member more or less has had them.

Here is a school which was serving milk, which they were doing before they got any of the school milk program. I do not know how the situation can be eliminated, but I personally feel that if we are to continue this program, and particularly if it is to be made a permanent program, that all of the schools ought to be put on the same footing.

Mr. MILLER. I would have to agree with you.

Mr. ABERNETHY. I think now is the time for us to start to do something about it.

Incidentally, there was a farm bill last year affecting one commodity, and another bill affecting another, to which some Members objected. I think some Members opposed the bills on the ground that we were bringing in piecemeal legislation instead of bringing in a bill that would deal with all of agriculture.

We started this program with what, \$50 million or \$40 million?

Mr. MILLER. \$50 million.

Mr. ABERNETHY. And it has now gone up to about 80-some-odd million dollars?

Mr. MILLER. It is \$81 million.

Mr. ABERNETHY. What is the average Federal contribution in dollars toward the school lunch program?

Mr. MILLER. What is the average contribution to the school lunch individual?

Mr. GARBER. The average is a little over 4 cents per lunch, that is, for food—not just the milk alone, but for food.

Mr. ABERNETHY. I understand. It is about 4 cents?

Mr. GARBER. Yes, sir.

Mr. ABERNETHY. What is the average cost of that lunch—the average value of it?

Mr. GARBER. I would say about 25 cents.

Mr. ABERNETHY. 25 cents?

Mr. GARBER. Yes.

Mr. ABERNETHY. So that the States are picking up, or the schools are picking up 21 cents of the 25-cent lunch, and the Federal Government is picking up 4 cents?

Mr. LENNARTSON. Correct. There are some food contributions.

Mr. ABERNETHY. I said the schools—I mean the students.

Mr. GARBER. The students; yes.

Mr. ABERNETHY. Or someone other than the Federal Government is picking up 21 cents of the average 25-cent lunch, and the Federal Government is picking up 4 cents of it?

Mr. GARBER. Yes.

Mr. ABERNETHY. Is that right?

Mr. LENNARTSON. That is right.

Mr. ABERNETHY. What is the cost of the average extra glass of milk running?

Mr. GARBER. The Federal contribution?

Mr. ABERNETHY. No, no.

Mr. GARBER. The average is somewhat over 6 cents that the schools pay for that one-half pint of milk.

Mr. ABERNETHY. That is what they pay. What is the average value of it, the sale price of it? How much would they have to pay for it?

Mr. GARBER. Six cents per half-pint.

Mr. ABERNETHY. That is a 6-cent glass of milk. How much of that is the Federal Government picking up?

Mr. GARBER. Our figure is 3.41.

Mr. ABERNETHY. 3.41 cents?

Mr. GARBER. Say 3.5 cents.

Mr. ABERNETHY. And so the students, or those other than the Government, are picking up 2.5 cents?

Mr. GARBER. 2.5, that is correct.

Mr. ABERNETHY. I do not know whether that means anything or not, but I think there is a tremendous disparity between the quantity that is being picked up by the Government and the people, in one instance, as related to the other. I think that this record ought to show it.

Mr. JENNINGS. I have a question for clarification. Is this 4 cents that is picked up by the Federal Government in the school lunch program per meal—does that include the donation of surplus commodities?

Mr. LENNARTSON. No, sir.

Mr. GARBER. No, sir, that is cash. That goes into the school lunch program.

Mr. MILLER. That is the \$110 million broken down.

Mr. QUIE. He asked about the value of it.

Mr. JENNINGS. Just to make it clear, what value is placed on the commodities that go into the school lunch program?

Mr. GARBER. I would place about the same value in commodities, between 4 and 5 cents. That varies from year to year, but the values would be about 4 cents.

I believe the cost figure that I have given on the cost of the school lunch was 25 cents. In addition thereto, 4 cents goes into that in cash and 4 cents in commodities, which would make the overall price

of the school lunch contribution 8 cents, plus the 25 cents that the child gets.

Mr. ABERNATHY. You mean 8 cents plus 21 cents?

Mr. GARBER. No, sir. We figure that is in addition to the 25 cents which is the actual cost of the lunch.

Mr. ABERNETHY. The 25 cents and the 8 cents, you add them together?

Mr. GARBER. That is right, but they are able, because of that subsidy, to sell the lunch for 25 cents.

Mr. ABERNETHY. May I ask you this question:

In the school lunch program, since its inception—I have forgotten when we passed it—back in 1943 or 1944, as I recall—it was made a permanent program, and the legislation was authorized when Congressman Flannagan was the chairman of this committee.

What then was the reimbursable amount to the school per lunch—do you have any idea about what it was?

Mr. GARBER. I understand that it was a cash reimbursement. It was between 8 and 9 cents at the time of the inauguration of the school lunch program.

Mr. ABERNETHY. We appropriated money at that time which was—I think this is right—about one-third of what it is now?

Mr. GARBER. I think that is about right.

Mr. ABERNETHY. And even though the appropriations have been raised three times since then, that is, the Federal appropriations for the school lunch program, the reimbursable amount has rapidly gone down; that is, the Federal Government has dropped the reimbursable figure from, approximately, 8 cents to 4 cents.

Mr. LENNARTSON. Per meal?

Mr. GARBER. Per meal.

Mr. ABERNETHY. Per meal?

Mr. GARBER. Yes.

Mr. ABERNETHY. So that the program for the school lunch has proven to be so desirable among the local people that they have constantly increased the amounts that they have put into the program. They have increased the amount which they have themselves picked up.

Mr. GARBER. I think that is right; yes, sir.

Mr. ABERNETHY. That is true, to some extent, with the school milk program, too, is it not? In other words, we started out, I believe, with a reimbursable amount in 1954 of more than we have now.

Mr. GARBER. No, the same rate of reimbursement has been in effect.

Mr. ABERNETHY. In your statement, Mr. Secretary, you said that it has been reduced by one-half cent, as I read it?

Mr. LENNARTSON. No.

Mr. MILLER. No. We were talking about this proposed reduction that we are going to make in order to stretch out the money.

Mr. ABERNETHY. Has that already been submitted to the States?

Mr. MILLER. Yes.

Mr. ABERNETHY. To those who handle the school lunch program?

Mr. LENNARTSON. It was done in November.

Mr. MILLER. In November we stated that beginning March 1 we would have to reduce the contribution.

Mr. ABERNETHY. I believe that someone else answered this question, but has there been any appreciable complaint about that?

I realize that nobody likes to dig deep into their own pockets. I especially do not. I am sure that no other American does. What complaints have been raised?

Mr. MILLER. We have had some. I think most of the correspondence we have had has been from Members of Congress seeking information from us after they had received letters from their constituents.

Mr. ABERNETHY. Let us assume that it does not go into effect, and we continue this program as we have the other farm programs from year to year, some of which have become permanent, as they may well be and possibly should.

What do you anticipate would be the cost of this program; what will it be when you eventually bring all of the children who are in school into the program?

Mr. MILLER. At the present rate?

Mr. ABERNETHY. At the present rate.

Mr. MILLER. I would not be able to give you that figure. Maybe our people could. We are getting about a 4 percent increase in school population. That is a pretty good indication of the direction we would be going—a 4 percent increase in school population per year.

Mr. ABERNETHY. So that would be 25 percent more to be reached; is that right or about right?

Mr. LENNARTSON. We do not know. We believe we indicated about 54 percent of the children now participate.

Mr. MILLER. Let me go back and correct one thing.

Mr. LENNARTSON. We have never reached them all.

Mr. MILLER. That is correct. That is the statement that we made.

Mr. ABERNETHY. What percentage of the children in the schools now are participating in the program?

Mr. DAVIS. What the statement meant to say, Mr. Abernethy, was that the schools in the program now represent 75 percent of the total school enrollment.

Mr. ABERNETHY. Will you stop right there. I apologize for interrupting. Let us read the statement.

You state in effect that we estimate that the program is now available to better than three out of four children enrolled in the schools.

Mr. MILLER. That is right.

Mr. ABERNETHY. All right. In order to reach all of the children now enrolled in the schools, assuming that they were ready and willing in the local schools to pick up this program, the authorization would have to be increased by, approximately, $33\frac{1}{3}$ percent of the current authorization?

Mr. MILLER. Yes, that is right.

Mr. LENNARTSON. That is right.

Mr. ABERNETHY. So that without anticipating any increase whatever in the population, you can anticipate an increase of $33\frac{1}{3}$ percent in these year-to-year piecemeal authorizations?

Mr. MILLER. I do not say from year to year. I would say that you would have to make that increase in one jump in order to provide milk to all of the children.

Mr. ABERNETHY. I accept that. I was trying to arrive at that figure.

Mr. MILLER. That is correct.

Mr. ABERNETHY. At the present rate and level of authorization we have spent about \$300 million on the program through November 30 of last year?

Mr. MILLER. Yes.

Mr. ABERNETHY. About \$300 million?

Mr. MILLER. That is about right.

Mr. ABERNETHY. Every dime of that has been drawn from the capital assets of the Commodity Credit Corporation?

Mr. MILLER. That is correct.

Mr. ABERNETHY. Have they not?

Mr. MILLER. That is correct, yes, sir.

Mr. ABERNETHY. And when you issued your statement—that is, when the Department issued this statement of the activities of the Commodity Credit Corporation, a copy of which I have in my hand, those expenditures are included in the price support operations?

Mr. MILLER. That is correct, yes, sir.

Mr. ABERNETHY. And when we read all of these articles by the columnists telling us—from some of our friends—about the cost of the price support program, they overlook the fact that they consume a good deal of it in the schools for the benefit of their children, do they not?

Mr. MILLER. That is correct.

Mr. ABERNETHY. And unfortunately, the Department itself does not make that plain to the country when they talk about the cost of the price support operations.

Mr. MILLER. Yes.

Mr. ABERNETHY. That is true, although it may sound a little critical.

Mr. MILLER. Maybe we do not make it as often as we should, but we do make it quite frequently. I, for one, continue to point this out, and I think that the other Assistant Secretaries have made such statements, too.

Mr. ABERNETHY. I do not mean to throw any doubt on that, but I do think that it is time that they look at the record and see how much they are drinking and eating themselves.

Mr. MILLER. I have maintained always that this is correct.

Mr. ABERNETHY. They do not know it, and there is no reason why they should know it. The information is not distributed to them. And the papers do not publish it.

I read the editorials about the cost of these farm programs. Probably the editor who wrote that editorial did not know it. But that is a fact, it is not?

Mr. MILLER. That is a fact.

Mr. ABERNETHY. That applies to some of our colleagues in the House and in the Senate—they just do not know about it.

The reason I have developed this picture is to try to say again what I have said for several years, that this program has come of age. It was designed originally not for the benefit of the children; it was designed for the benefit of the farmers primarily. The object was to increase the consumption of milk and to move the surplus of milk off of the market. You say now that you have practically done that.

Mr. MILLER. It is much improved. I will not say “practically.” The situation is much improved.

Mr. ABERNETHY. Many of these statements are as of yesterday and as of some other time in the past. It depends upon when the statements come out of the Department. That is, as to the tremendously fine condition that the dairy price support program is in.

Mr. MILLER. That is correct.

Mr. ABERNETHY. And that there is a pretty good balance between production and consumption. You have announced that your purchases have been reduced considerably—that there is very little purchasing going on by the Commodity Credit Corporation.

Mr. MILLER. That is true.

Mr. ABERNETHY. And, therefore, we are getting away from the primary objective of this program. I should not say that we are getting away from it: I should say that the primary objective of the program has been more or less obviated.

Mr. MILLER. That is correct, for this program.

Mr. ABERNETHY. Do you not think it is time that we put this program—I think all of us want this—do you not think that it is time that we put this program on the basis that it really now is operating on, in the interests of the children themselves, and make a direct appropriation instead of continually day after day, year after year, draining down and depreciating the capital assets of the Commodity Credit Corporation?

Mr. MILLER. I am not willing to say that the price support situation has been solved, period. I am saying that the situation is much improved. I think we have hopes that we can look forward to further improvement. I am not willing to say that the school lunch program should be stopped as of this time for that purpose.

Mr. ABERNETHY. Wait a minute. I did not suggest or intimate that the school lunch program should be.

Mr. MILLER. I am talking about the milk program—I am sorry—that it be stopped for the purpose of price support. Neither am I saying that it ought to be stopped—that for the purpose of price support it ought to be stopped at this time, is what I am saying.

Mr. ABERNETHY. You are saying that necessarily it ought not to be, but you have said that the situation in the dairy industry has improved. I do not know whether it has or not. I am taking your word for that.

Mr. MILLER. Yes.

Mr. ABERNETHY. Whether it has or not, just let us eliminate that idea completely from our thinking—whether it has or not—really and truly who gets the benefit of the program?

Mr. MILLER. The schoolchildren.

Mr. ABERNETHY. The schoolchildren?

Mr. MILLER. Yes.

Mr. ABERNETHY. And they are consumers?

Mr. MILLER. Yes.

Mr. ABERNETHY. All right. Does not that justify giving consideration to putting the school milk program exactly on the same basis, with the same line of operation, that the school lunch program is on?

Mr. MILLER. I would endorse the latter. I would say that Congress should take a look at it as to what its values are.

Mr. ABERNETHY. Are they not both related to the proper diet and nourishment and health of our children—one is as important as the other?

Mr. MILLER. Certainly, that is correct—health is an important thing. I am not going to say this morning that I think the special school milk program should be perpetuated along with the school lunch program.

There are many people receiving benefits from the milk program, precisely as you pointed out—your children, my children—the editor's children and others. I am not willing to say at this time—

Mr. ABERNETHY. Why did we continue it; why did we continue it? Why did we follow it? Why did this committee tolerate the continuation of the spending up to these \$300 million to this date, charged to the price support operation, which so many people have criticized and which the papers have editorialized—why did we continue to charge it to Agriculture when the consumers are demanding it—they are the ones that are demanding it?

Most of these come from the consuming areas, not all of them but many of them. I am not criticizing them for it, either. I am for the proposal, but I want to put the cost where it belongs.

Mr. MILLER. I would not want to say at the present time that we ought to put the cost any place. I am just saying that if we are going to tolerate, let us tolerate it for the purpose of price support for the time being.

Mr. ABERNETHY. Then you wish to continue to charge it all to the farmer and not to those of us with children?

Mr. MILLER. The taxpaying public should know for whose benefit the program is inaugurated and what percent of it, certainly, they receive. All of the benefits accruing to the program are not going to the farmer alone.

Mr. ABERNETHY. That is true of the school lunch program, too?

Mr. MILLER. Yes.

Mr. JOHNSON. Several Members of the Congress have made studies of that. I think that Congressman Fred Marshall, of Minnesota, made quite a study of all of the costs in the Department of Agriculture as to those that were benefiting the city people, but were charged up against the farmers and the farm program.

I think that you have enough experts in the Department of Agriculture to give us this information. Your experts could get the figures and come up with a report showing how much of the agricultural budget is chargeable to the city people and the country as a whole, rather than just to the farmers.

Would that not be possible?

Mr. MILLER. Yes; it would be possible. Secretary Benson on the television program the other day stated that the inspection services are for the benefit of the consumer, for example, yet it is charged to the Department of Agriculture.

Mr. JOHNSON. I mean, as to your school milk programs, and the other programs.

Mr. MILLER. He made that statement, among others.

Mr. JOHNSON. I know that there is a long list of them. How much would it cost to have some of your experts at the Department make up such a report?

Mr. MILLER. I have no way of knowing the cost, but it can be done.

Mr. JOHNSON. It would not cost many thousands of dollars; would it?

Mr. MILLER. I am not an expert in that field. I could not answer that.

Mr. JOHNSON. I think that the Congress and the farmers would certainly appreciate it.

Mr. MILLER. The problem is that a great many services are extended to the public, the welfare of the people, other than Agriculture, which are charged to Agriculture, and that is wholly unfair.

Mr. JOHNSON. This last week when we had lamb-grading hearings, you saw all the consumer groups who appeared before our committee on the continuation of that program.

Mr. MILLER. That is on a reimbursable basis.

Mr. JOHNSON. Do you have a statement that you want to make to some of these questions, Mr. Davis? If you have, I would like to have it.

Mr. DAVIS. I am not so sure that we reached a complete understanding back there on some of Mr. Abernethy's questions about whether our program currently was being operated in accordance with the wishes of Congress when they passed the legislation, regardless of whether the current method is good. And I believe that you agreed that it was.

First of all, in our interpretation of the special milk legislation we read that the law said that this money can be used for the purpose of expanding the consumption. You can do that in many different ways.

We have not felt that that language meant that we could only reimburse for the milk that had not been consumed prior to the program. We tried to do that the first year, as I mentioned earlier, and it did not work out, but we feel that the expenditure of these \$300 million have actually achieved the purpose of the act and has been quite consistent with it, by having obtained increased consumption, a rather material increase of consumption.

Mr. ABERNETHY. May I interrupt?

Mr. DAVIS. Yes.

Mr. ABERNETHY. First, I would like to make it perfectly clear that I have no criticism now with the way that the program has been administered. I realize that you put an interpretation on it and did the best that you could with it.

Unfortunately, I do not think that there were any hearings on this matter when we put it in the act. There may have been. As I recall, it was in an executive session here one morning that one of our colleagues suggested that we incorporate in the bill X million dollars for a special school milk program so as to increase the consumption of milk. That drew down the capital assets of the Commodity Credit Corporation.

I realize that schools that did not have a milk program—in schools where they did not serve milk with their lunches—that you had a decision to make there. Here is one that is doing it and here is one that is not. In order to carry out the purpose of the act you had to require the one that was to serve a second glass to do so. As to the other ones, the ones that were serving no milk at all, they had to serve the first glass.

But we created a discriminatory situation there between these two types of schools.

Pardon me, I have interrupted you.

Mr. DAVIS. Just one more word, if I may.

We still would require the second school, if they were in the national school lunch program, to serve that first glass of milk. We would not pay for that. That was the point that I really wanted to clear up.

Mr. ABERNETHY. I understood you to say in the past that there were schools which did not serve milk with their school lunches, that you brought them in under the program. And you are now taking up the check for the first glass of milk to those schools.

Mr. DAVIS. That is not correct. That is what I wanted to correct.

Mr. ABERNETHY. You are buying the second glass in all of them, then?

Mr. DAVIS. If they are in the national school lunch program and serving the lunch.

Mr. JENNINGS. That is true of the milk program, is it not?

Mr. DAVIS. Yes. In the school that had been serving lunches, we reimbursed for the lunches without milk in the past years. In those schools they got a lesser amount of Federal reimbursement.

When the milk program started they still could not get reimbursement for the first glass of milk with that lunch.

Mr. ABERNETHY. This is a little bit different from your statement that you gave just a minute ago. We want to get this absolutely straight.

The schools which now participate in the school lunch program, you require all of them to serve a glass of milk on their own before they get any of the school milk program money?

Mr. DAVIS. That is absolutely correct.

Mr. ABERNETHY. That is clear. Thank you.

Mr. DAVIS. That is why I wanted to correct what seemed to be a misunderstanding.

Mr. HAGEN. Have you received any complaints from school administrators about the disparity of the contribution between the school milk and school lunch programs?

Mr. MILLER. Yes. Mr. Lennartson says that we do.

Mr. HAGEN. What is the import of those complaints, can you tell us about that?

Mr. MILLER. Will you explain that, Mr. Davis?

Mr. DAVIS. I am not sure that I got the question.

Mr. HAGEN. Do you receive any complaints from school administrators about the disparity of the contribution between the milk and school lunch programs?

Mr. DAVIS. On the difference?

Mr. HAGEN. As to the percentage of Federal contribution.

Mr. DAVIS. We have; yes, sir. In some of the States where they have had a rather high participation in the school lunch program, the amount of money that was available to the States for each lunch sometimes was very low, so that in some schools they were receiving less reimbursement for their school lunch than they could get for a pint of milk that went into that lunch, if they were not in the school lunch program.

In other words, perhaps, they were getting 3 cents for reimbursement on their school lunch, including the glass of milk. If they got

out of the school lunch program, then they could receive 3 cents for every one-half pint of milk, and they would be about the same without any necessity for meeting Federal requirements on the school lunch program.

I might say that we received more complaints back several years ago when the quantity of surplus commodities was reduced to a rather low level, and they were having very difficult times getting along.

I believe in the last 2 years we have received very few complaints on that score.

Mr. HAGEN. My position would be that the proportion of Federal contribution to the school lunch should be brought up to equal that given toward school milk. However, the import of all of this testimony is that this milk program, by reason of this disparity, is a support program, rather than a program for the children. That is the whole import of what has been brought out here. And I do not think that it is within the ability of the Department of Agriculture to establish a different conclusion.

Mr. JOHNSON. I have a couple of questions that I would like to ask.

Do you think that the Department could make out a report such as Mr. Abernethy and I have been talking about on the cost of the programs charged to the farmers?

Mr. MILLER. I would rather that the committee would direct that to the Secretary of Agriculture, Mr. Chairman, rather than me to say, approximately, what the cost would be, because of the difficulties encountered in such an analysis.

Mr. LENNARTSON. I faintly recall some of this had been done here previously a couple of years ago.

Mr. JOHNSON. It was done by Members of Congress and Members of the Senate.

Mr. LENNARTSON. I seem to recall that the Department has done it before.

Mr. ABERNETHY. I may be wrong, but I think that there was a statement in one of the reports, inasmuch as this was a consumer item, just as the school lunch program is, that the Secretary was directed not to charge it up to the price support program—maybe those were not the exact words, but that was the objective. The law was not amended, and the Secretary could not charge it up to any other place than the capital assets of the Commodity Credit Corporation, because all of the assets of the Commodity Credit Corporation dollars are earmarked for the school milk, and you have very accurately and properly and legally been carrying that as a Commodity Credit Corporation item. That is what that statement in the report amounts to.

It is a problem that we have been discussing here this morning.

Mr. JOHNSON. There is one thing, you may be getting to the point where you are not purchasing too much surplus. The price of manufactured milk to the farm people has not raised very much, has it, under the present program?

Mr. MILLER. I would rather not say, because I am not exactly familiar with what the manufactured milk prices are.

Mr. JOHNSON. It is lower.

Mr. MILLER. It is lower than it has been; that is correct.

Mr. JOHNSON. And, of course, milk is selling for a few cents more than the support price?

Mr. MILLER. Yes.

Mr. JOHNSON. But so far as manufactured milk is concerned, which goes into butter, cheese, and dried milk, the farmer has not received any higher prices. The Government has a small surplus, but so far as raising farm prices, the farmer has actually received less money.

Mr. MILLER. You are talking about manufactured milk now?

Mr. JOHNSON. Yes. I am talking about manufactured milk. It is Grade A milk that goes into the school lunch program.

Mr. MILLER. This is the reason why we have made this statement this morning, that we feel like the program has not reached the point of solving the dairy surplus program to such an extent that we want to stop it now.

Mr. HAGEN. The school lunch program is more patently of benefit to manufacturing milk because it utilizes end products of milk.

Mr. JENNINGS. Are any of the States participating in this program to the extent that they are matching the Federal funds or augmenting the Federal funds to any extent?

Mr. DAVIS. There is no State money going into the special milk program except as I mentioned earlier, the administrative costs that the State has in running the program.

There are instances where the cities and localities have put funds in. As Mr. Garber mentioned earlier, there are a number of instances where local civic groups have put money into it. There are instances such as in the District of Columbia where the District puts enough in it to make the milk free to the child.

Mr. JENNINGS. Have you noticed an increase in the consumption per capita per child in such instances?

Mr. DAVIS. I think that the studies we have made in the past would indicate that the price to the child does definitely influence the participation.

Mr. JENNINGS. What does the average half-pint of milk sell for to the child?

Mr. DAVIS. I think our figures show that the average price they pay is around a little over 3 cents.

Mr. JENNINGS. About 3½ cents, I believe.

Mr. DAVIS. Yes.

Mr. JENNINGS. So then if we are paying 4 cents, I mean if the Federal Government appropriates 4 cents, the child is paying 3.5 cents?

Mr. DAVIS. The child?

Mr. JENNINGS. Yes.

Mr. MILLER. The child is paying, on the average across the country, about 25 cents for the lunch.

Mr. JENNINGS. I am talking about the school milk program, not the lunch program.

Mr. DAVIS. On the special milk program, the child is paying on an average of a little over 3 cents.

Mr. JENNINGS. So then, actually, milk is being sold for 7.5 cents per half-pint?

Mr. DAVIS. That would include the amount that the schools may withhold to help pay for their handling charges.

Mr. JENNINGS. How much may they withhold?

Mr. DAVIS. By regulation, the maximum is 1.9 cents; however, we have a further stipulation that for any withholding of over 1 cent,

they must fully justify it—either because they are buying some expensive equipment or for some other good reason.

Mr. JENNINGS. What is the average cost of this milk per half pint? I mean in the various containers—glass, wax, and bulk?

Mr. DAVIS. I am afraid that I do not have that information for you, Mr. Jennings. Our best estimate is that the cost of the milk to the schools across the country averages a little above 6 cents.

Mr. LEVERING. I would like to know how much the price has varied from the beginning of the program to the present time to the child.

You told us that it is about 6 cents a half pint now.

Mr. JOHNSON. It does not cost the child that.

Mr. LEVERING. It is about 3.5 cents?

Mr. MILLER. What was it at the beginning of the program, the cost to the child?

Mr. DAVIS. Actually, there has probably been a little increase in the cost of the milk, generally, across the country since the inception of the program.

Mr. LEVERING. How much?

Mr. DAVIS. I really do not know, but, offsetting that, however, we feel that we have made very good progress with the States and with the local communities in cutting down their costs, or cutting down the amount that they withhold from this whole thing, so that the price to the child has remained somewhat the same.

I do not think it has varied a whole lot. We have more and more localities where they were taking maybe a cent and a quarter, now down to a half-cent.

Mr. LEVERING. In other words, the cost to the child has not fluctuated with the price of the milk, generally, in the localities?

Mr. DAVIS. Generally speaking, not.

Mr. JOHNSON. Have you found various dairies give the schools a better price than they give to other people?

Mr. LENNARTSON. I think what has happened, as the program extended locally, the schools, the counties, the localities got themselves into a better bargaining position, because it became a more lucrative business. So they have been in a better competitive position.

Mr. JOHNSON. Is it let out on bids to various dairies?

Mr. LENNARTSON. Yes. They are in a better bargaining position.

Mr. JOHNSON. Do you want to ask a question?

Mr. HOGAN. No.

Mr. LEVERING. The market price of the milk has really nothing to do with this program. It may have something to do with it. Naturally, the dairies bid on it and the market price determines the cost of the milk to the child. That is a fact, is it not?

Mr. GARBER. Yes.

Mr. JENNINGS. Getting back to this question, how is this school milk program handled, so far as the child is concerned? Generally speaking, I mean, throughout the country?

Mr. DAVIS. That, of course, varies widely, also. There are instances where the milk money is collected at the beginning of the week. Just as in many places they collect the lunch money from the children for the whole week.

There are some places that have cut rates for a weekly purchase. There are some schools where they feel that it is just not possible

for them to handle a lot of pennies, where they arbitrarily set the reimbursement and the cost of the milk and so on so that the cost to the child comes out an even nickel.

There are other places that use vending machines.

Actually, it is gotten to the child in as many different ways as milk is marketed.

Mr. JOHNSON. At this point, I would like to ask if milk is available without charge to the school children in any areas?

Mr. DAVIS. There are some; yes.

Mr. JENNINGS. Have you made an analysis, so that you could tell us, in your opinion, the better ways of distributing this milk to encourage more consumption?

Mr. DAVIS. We feel very probably the key is how available it is to the child. In other words, if the milk is available at all times during the day, we feel that that probably will encourage increased consumption. Where the schools have inaugurated additional service times over and above the lunch period, say at the morning recess or the afternoon recess, that certainly has contributed to increased consumption. I would say that would be the key, the availability to the child.

Mr. JENNINGS. I believe that you said that you did not know the difference between the cost in glass and wax and bulk containers. Roughly how much difference do you think there is when milk is served in bulk containers, when the child just draws the milk, as compared to serving in wax and glass containers?

Mr. DAVIS. There would be a lot of factors in that. In serving it in bulk, of course, you have an added labor cost, perhaps; someone to stand there and pull the lever.

Mr. JENNINGS. How would you have an increased labor cost of someone to pull the lever—they would have to hand the carton out, too, would they not?

Mr. DAVIS. In many places they have dispensers where the child goes and picks up his own milk, right out of an open icebox or a regular dispenser.

It would be very difficult to say. I would not be prepared to say this morning.

Mr. JENNINGS. Either of those would not be a cost to the Federal participation in the milk program as to how it was disposed, would it? I think that we are losing consumption because of the methods by which we are handling this milk in many instances.

I contend that if we served the milk in bulk containers, we could cut down approximately one-tenth of the price the milk is costing—probably one-half a cent per one-half pint, for either glass breakage or for containers.

Mr. LENNARTSON. You must realize that in bulk dispensing, you must have some mature person there to take that milk out of the container.

That is going to cost money. You must have a container to put that into. You have your breakage, and the paper cup costs and washing, or some other costs.

I would question seriously how much saving there would be.

We found some cases where the child preferred to take it in the individual container and take it to the table, rather than to stop and

wait for somebody to serve him. We do not have the facts and figures.

Mr. JENNINGS. That was the reason I was asking the question. I do not know the facts.

I have advocated this should be a participating thing, if the States were to furnish even 1 cent or 2 cents on each half pint, if the parent-teachers association would furnish a cup like this [indicating] the milk would be available and I am satisfied in my own mind that it would increase the consumption, which is what we are after—it would increase it tremendously, if it would be available at any time the child wanted to get it.

In many cases I think children actually need this more than many other things. They are not getting it because of the prohibitive price. I do not mean that the 3 cents that they have to pay is prohibitive, except when they do not have the 3 cents. Then it does become prohibitive.

Mr. LENNARTSON. You are absolutely right.

Mr. JENNINGS. I think a good deal of good has come from this program. I introduced legislation last year which would leave the administration of this program completely in the hands of the Department of Agriculture, where I think it should be, but the cost of the program would be charged to the Department of Health, Education, and Welfare.

I think that was the reason for some of the criticism which we have heard so much about.

There is another point that I want to discuss this morning.

Has the processing of milk decreased since we have spent the \$300 million in the school milk program?

Mr. LENNARTSON. Have we taken in—

Mr. JENNINGS. Are we processing less milk today into nondry fats and cheese and butter, and so forth—are we processing less milk today than we were before this program started?

Mr. LENNARTSON. Let us put it this way: All other things being equal, we are purchasing less of butter, cheese, and skim milk than we would have purchased without the program. There is no question about that.

Mr. JENNINGS. Am I then correct in believing, or in gathering from your statement that we are consuming a certain amount of our surplus in the fluid state through the school milk program, rather than in processing it, storing it, and then giving it away through various channels and programs?

Mr. LENNARTSON. There is no question about it. We have indicated that this program now is consuming about 2 percent of all of the fluid milk consumed in this country. Had that not been consumed as such, it would have come to the Commodity Credit Corporation.

Mr. JENNINGS. We have cut out the processing and the storage and the availability of some of these products that would otherwise be given away?

Mr. LENNARTSON. There is no question about it.

So then the \$300 million that we talked about in the school milk program has not all been expended and should not be charged all to the fluid milk program. If we had not spent it for fluid milk, we would have spent it for processing, storage, and distribution.

Mr. LENNARTSON. It has been a price support mechanism and chargeable to that.

Mr. ABERNETHY. Mr. Miller, I do not quite understand your position this morning. You say that you are for the bills, yet on page 4 of your statement you state that from the standpoint of the original price support purpose and the generally favorable current position of the dairy industry now appears to be an opportune time to adjust the program so as to begin leveling off Federal contributions.

What should we do?

Mr. MILLER. We are right in the middle of the year now. We feel that we can continue the balance of this year and we should continue at the 4-cent and 3-cent rate for the balance of this year.

We are going to recommend that we have an opportunity to come up next year and in precisely the same position we are in this year to take a look at the situation in much similar circumstances to what we have now. We think at that time we are going to show a further improvement in the milk price support operations.

At that time, if we think it is time to stabilize it, I think that it would be more nearly an opportune time to do it than right now.

Mr. ABERNETHY. Would you object to an amendment to the school lunch program shifting this over as part of, as an adjunct of the school lunch program for the fiscal year 1961?

Mr. MILLER. I cannot speak for the Department, but I would say personally I would not at the present time. I would rather continue it as a price support mechanism, without any consideration whether it ought to be made permanent.

Mr. ABERNETHY. But you would not object to that?

Mr. MILLER. Personally, I—

Mr. ABERNETHY. That would put the cost in the same category with the school lunch program.

Mr. MILLER. I would rather not give any indication that I personally have—I would not want to give any indication that I was in support of getting a permanent type of supplemental milk program for any purpose—for the purpose of subsidizing the child.

Mr. ABERNETHY. That would not be any more indication than the present bills, because it would be limited to the same dollars and the same length of time.

Mr. MILLER. The purpose would indicate the permanency of the thing. I am saying for price support I will go for that, but for subsidizing, I would not.

Mr. ABERNETHY. I do not think that we need to get into that. I do not think that the Department ever wants to come up here and say, "Let us stretch it out." I do not think that anyone in Congress would want to do so. I think that we have to face the facts, however.

Mr. MILLER. I am just speaking personally.

Mr. ABERNETHY. I realize that you are.

That is all, thank you.

Mr. JOHNSON. Are there any further questions?

Mr. STUBBLEFIELD. I have read the Secretary's statement. As to the economics of the situation, this one-half cent reduction, would this be conducive to more or less milk consumption?

Mr. MILLER. I think that the reduction of one-half cent would, necessarily, result in a decreased consumption.

Mr. STUBBLEFIELD. Are you aware of the fact that the milk, which the child gets in the school lunch program, probably, is the only meal at which many of them get any milk?

Mr. MILLER. That is correct.

Mr. STUBBLEFIELD. For that reason I would like to be on record here strongly opposing this one-half cent decrease.

Mr. JOHNSON. If there are no further questions, I want to thank you.

I notice that there are quite a few Members of Congress here.

We will now hear from our colleague, Congressman Clem Miller.

**STATEMENT OF HON. CLEM MILLER, A REPRESENTATIVE IN
CONGRESS FROM THE FIRST CONGRESSIONAL DISTRICT OF THE
STATE OF CALIFORNIA**

Mr. MILLER. Mr. Chairman and members of the committee, I certainly appreciate the opportunity to appear here this morning, and I wish to give my ardent support to the chairman's bill, H.R. 9331. I have introduced a companion measure, H.R. 9694. Two weeks ago I joined with seven other California Congressmen in writing a letter to the Secretary of Agriculture requesting that the cut not be made, and that he request the necessary supplemental appropriation. I would like to introduce, if I may, the correspondence with the Secretary, including the reply from the Assistant Secretary, Clarence L. Miller. It will be noted that the reply was not fully responsive.

Mr. JOHNSON. Without objection, that will be made a part of the record at this point.

(The two letters referred to are as follows:)

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., January 8, 1960.

HON. EZRA TAFT BENSON,
Secretary of Agriculture,
Washington, D.C.

DEAR MR. SECRETARY: We have been advised by the California State Board of Agriculture that your Department has advised the California State Superintendent of Public Instruction that effective March 1, 1960, the special school milk program subsidy is to be reduced one-half cent per half pint.

By its resolution of December 21, 1959 (a copy of which has been sent directly to you), the California State Board of Agriculture recommended that sufficient funds be made available to continue the program without change through the current school year.

We concur. We urge you to reconsider and to rescind the recent applicable order of the director of the Food Distribution Division of Agricultural Marketing Service. We also urge you to request the necessary supplemental appropriation. We understand your Department now estimates the program will run short by about \$1 million this school year unless there is a supplemental appropriation.

We believe the special school milk program is one of the most worthwhile of the many farm support programs, particularly because it enhances the health of children who otherwise would not get enough milk to drink and because it does not affect the price consumers pay for milk. The fact that this is one of the least expensive of our agriculture subsidy programs also helps make it a "best buy," in our opinion.

We believe your recent order would inevitably make milk less available to school children, including many in the needy group who do not get sufficient milk

at home. As the California Board of Agriculture said, "a reduction in the rate of disbursement in the face of rising milk prices will force schools to increase charges to pupils, which will result in reduced participation."

Thank you very much for your consideration.

Sincerely,

HARLAN HAGEN.
HAROLD T. JOHNSON.
JOHN J. McFALL.
CLEM MILLER.
JOHN E. MOSS.
D. S. SAUND.
B. F. SISK.

(Jeffery Cohelan, Member of Congress, sent a similar letter January 9.)

DEPARTMENT OF AGRICULTURE,
Washington, D.C.

HON. CLEM MILLER,
House of Representatives.

DEAR CONGRESSMAN MILLER: This will acknowledge the letter of January 8, 1960, in which you and six other California Congressmen concur in a resolution adopted December 21, 1959, by the California State Board of Agriculture recommending that sufficient funds be made available to continue the current maximum rates under the special milk program without change through the rest of the current school year.

You urge that we reconsider and rescind the recent applicable order of the Director of the Food Distribution Division of the Agricultural Marketing Service which reduces the maximum rates of reimbursement under the program by a half cent effective March 1.

The circumstances with respect to the announced change in maximum payment rates under the special milk program are as follows:

The Congress originally authorized an annual expenditure of not to exceed \$75 million of Commodity Credit Corporation funds for the purpose of increasing the consumption of fluid milk by children in schools throughout the Nation for each of the 3 fiscal years 1959, 1960, and 1961. Last spring, when it appeared that expenditures would actually equal or perhaps slightly exceed the \$75 million authorization, the Congress increased the fiscal 1959 authorization to \$78 million and later provided an authorization of not to exceed \$81 million for the special milk program for the fiscal year 1960 and not to exceed \$84 million for the fiscal year 1961.

Actual expenditures under the program in the fiscal year 1959 were approximately \$75 million—that is, funds available for the current fiscal year would permit an expansion of about 8 percent in the program in comparison with increases of 10 and 12 percent, respectively, in the last 2 years. Thus, we face a possible overall shortage of funds if the program should be continued on its present basis of providing a maximum payment of 4 cents per half pint for milk sold as a separately priced item in national school lunch program schools, 3 cents for other schools, and 2 cents for camps and related programs where milk is not sold as a separately priced item. Also, the shortage of funds would inevitably occur soonest and be greatest in those States with relatively high annual increases in school enrollments and for other States where the program is still expanding into new areas. Further, funds available for fiscal 1961 would only allow a 4 percent increase over the authorized level of operations for fiscal year 1960, assuming the old rates were continued.

In view of the above considerations, the Department on November 3, 1959, notified the State school officials that a half-cent reduction in rates of reimbursement on separately priced milk would be necessary March 1, 1960. Notice of the rate change was given at an early date so that program adjustments could be planned and executed as smoothly as possible.

This action is consistent with three overall control or management objectives which it seems to us should be met: First, that the special milk program should be operated on a full year's basis within the total amount of funds authorized. Second, that an equitable division of funds should be made among the States, taking into account the fact that all schools or children should have an equal chance to participate, which means that program expansion will be greater in

some States than in others. Third, that the change in rates should be made at a time and in an amount which will not only keep within the authorization for 1960, but also allow the same rates to be maintained through fiscal 1961 when the amount authorized is \$84 million. It is further necessary to allow for the fact that in a program such as this, where the funds are allotted to some 88 different accounts and payments made on an open-end basis, some reserves must be maintained in order to assure sufficient funds to meet all obligations with the net result that actual expenditures must always fall somewhat below the full amount authorized.

Meanwhile, we have this program under constant review and before the end of this month we should have specific data with respect to actual operations for all States through the month of November and thus be in a better position to evaluate and project more accurate estimates of expenditures through the balance of the current fiscal year.

Sincerely yours,

CLARENCE L. MILLER,
Assistant Secretary.

Mr. MILLER. I would like very, very briefly to indicate that the dairymen of northern California support this legislation. The Milk Producers of Northern California are very much in favor of your bill.

I was interested in the previous witness's testimony, which indicated with respect to a "phasing out" of this program, that there is increased stability in the industry. In spite of this testimony, the dairymen from the district that I come from, northern California, contend that this program is an integral part of their entire milk distribution system. They urgently request its continuation to the maximum extent possible.

Secondly, with respect to the school districts, I would like to strongly support the comments and statements of the gentleman from Mississippi, Mr. Abernethy, that this program now is oriented to the benefit of school children and to school districts, and that the charges should be assessed to the Department of Health, Education, and Welfare.

It is in effect a school health program as much as it is an agricultural program. I know this from personal experience. During the recess I visited a number of schools in my seven-county district and took pains to examine their school lunch program.

The schools in my district are not charging the administrative cost at all. They are giving these services free of charge in order to make more milk available. They are most enthusiastic about the program. I agree with what the gentleman from Kentucky, Mr. Stubblefield, has just said; they regard this as most important for the welfare of the children, because, in frequent instances, it is the only meal and the only milk which those children get during the day. School administrators in my district have written that if the school milk program is cut, they are going to have to make up the difference from budgets already strained to the utmost. They would not want to pass on the additional cost to the children.

We have a resolution from the California State Board of Agriculture, dated December 21, 1959, which I would like permission of the chairman to introduce as a part of this record, calling for a continuation of the program and asking that the diminution not go into effect.

Mr. JOHNSON. If there is no objection, that will be made a part of the record at this point.

(The resolution referred to is as follows:)

RESOLUTION PASSED BY STATE BOARD OF AGRICULTURE, DECEMBER 21, 1959

RE NATIONAL SPECIAL MILK PROGRAM

Whereas the Congress of the United States authorized the use of the funds of the Commodity Credit Corporation for the purpose of increasing the consumption of fluid milk by children in nonprofit schools of high school grade and under; and

Whereas, in 1958 Congress authorized a basic annual expenditure of not to exceed \$75 million, and in August of this year Congress increased the 1960 authorization to \$81 million and established \$84 million for 1961; and

Whereas the Director of the Food Distribution Division of the U.S. Department of Agricultural Marketing Service has advised the California State superintendent of public instruction that effective March 1, 1960, the maximum subsidy per half pint would be reduced one-half cent; and

Whereas California schools entered into the program in good faith and have more than doubled milk consumption by schoolchildren since 1954. A reduction in the rate of reimbursement in the face of rising milk prices will force schools to increase charges to pupils, which will result in reduced participation. A decrease in the rates in March and a return to the original rates in July will cause confusion and create administrative difficulties at the State and local level: Now, therefore, be it

Resolved, That the California State Board of Agriculture, meeting at Sacramento, Calif., on December 21, 1959, does hereby recommend that sufficient funds be made available to continue the special milk program through this current school year without change; and be it further

Resolved, That a copy of this resolution be furnished to the Governor of the State of California, the U.S. Secretary of Agriculture, and the California congressional delegation.

Mr. MILLER. I would like to read one section of this resolution:

Whereas California schools entered into the program in good faith and have more than doubled milk consumption by schoolchildren since 1954, a reduction in the rate of reimbursement in the face of rising milk prices will force schools to increase charges to pupils, which will result in reduced participation. A decrease in the rates in March and a return to the original rates in July will cause confusion and create administrative difficulties at the State and local level.

It has been stated that this program is properly chargeable against the States. It seems to be a custom and a habit of this administration to come to hearing after hearing and say, "Let us turn this program, that program, or the other program back to the States."

I think it is a matter of common knowledge that the States are not able to support these programs; that they are at the limit of their resources with respect to public expenditures, and that turning them back to the States will mean their elimination.

And so I think that the Federal contribution should be continued at the full amount.

Mr. JOHNSON. I have heard that statement, too. The State and the Federal Government start a program, and after they get the people to like the program, then they want to turn it over and let the locality handle it in regard to various things. I think that is true, too, of this program.

Mr. HAGEN. Not to turn it over to the cities, but to turn it over to the States.

Mr. JOHNSON. They consistently say that. We are great hands at getting a program started, and then turning it back.

Mr. MILLER. The fact is that President Eisenhower in his famous Richmond, Va., statement proposed turning a number of programs back to the States. A commission was appointed to investigate those

recommendations, and thus far has only been able to find one program to turn back to the States.

The reason is quite obvious, that the States—all of them—are at the financial limits of their abilities. They have no place else to go. And so the continual plea of turning this and that program back to the States, in my mind, is completely unrealistic, whatever else it may be.

That completes my statement, Mr. Chairman. I certainly appreciate the opportunity of appearing here this morning to give my ardent and eager support to this, backed up by the dairymen and the school administrators of my congressional district in California, for this most valuable program.

Mr. JOHNSON. Thank you very much.

We will now hear from our colleague, Mr. Cohelan of California.

STATEMENT OF HON. JEFFERY COHELAN, A REPRESENTATIVE IN CONGRESS FROM THE SEVENTH CONGRESSIONAL DISTRICT OF THE STATE OF CALIFORNIA

Mr. COHELAN. Mr. Chairman and members of the committee, first of all, I concur in the remarks made by my distinguished colleague from California.

Thank you for this opportunity to appear on behalf of H.R. 9677, which is a companion to Chairman Johnson's bill, H.R. 9331.

This legislation has the support of the California State Board of Agriculture which, by its resolution of December 21, 1959, recommended that sufficient funds be made available to continue the program without changes through the current school year. That resolution was passed after the California Board of Agriculture was notified of the Department of Agriculture directive that the special school milk program subsidy is to be reduced one-half cent per half pint, effective March 1 of this year.

Together with a number of my colleagues from California, I have written to the Secretary of Agriculture, Ezra Benson, urging that this directive be rescinded and that the Department request the necessary supplemental appropriations. In response, I have been advised, in substance, that under the present authorization of \$81 million for fiscal 1960 and \$85 million for fiscal 1961—

* * * we face a possible overall shortage of funds if the program should be continued on its present basis * * *

That reply from Assistant Secretary of Agriculture, Clarence L. Miller, did not indicate whether or not the Department would ask for additional funds, as we had requested.

I wish to reiterate a statement I made last year while testifying before your committee in favor of additional funds to carry the school milk program through the fiscal year:

The value of this program is shown nowhere to a greater extent than in the State of California.

I personally regard it as one of the very best of the agriculture support programs, but it is more important that the people of California have approved and accepted this program more each year.

Gentlemen, I strongly urge you to act to approve increases for this program of \$4 million for fiscal 1960 and \$6 million for fiscal 1961 over previously approved authorizations. This is the intent of H.R. 9677.

Thank you.

Mr. JOHNSON. Thank you very much. I am now going to call on Members of Congress for their statements.

STATEMENT OF HON. FRED MARSHALL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MINNESOTA, A MEMBER OF AGRICULTURE APPROPRIATION COMMITTEE

Mr. MARSHALL. Mr. Chairman, reference was made earlier in this hearing to a study we made to determine just exactly who benefits from farm programs. I am grateful to Congressman Johnson for bringing this study to the attention of the committee since it bears upon the subject you are now considering.

As both Congressman Johnson and Congressman Abernethy have so ably pointed out, some of the professional critics of agriculture continue to use the misconception that farmers alone are beneficiaries of farm program costs.

This, of course, is part of the continuing attack on farm programs. The school milk program is just one important program which gives the lie to this kind of attack. Most citizens will agree, I am sure, that this is primarily an investment in the health of the Nation's children. From the standpoint of nutrition and dental health alone, it is impossible to measure the great contribution that the school milk program has made to our families and schools as well as to the children themselves.

This is only one important instance in which a program designed for the general welfare of our people is charged to the American farmer when it suits the purposes of those who wish to undermine the farm program.

In order to understand this problem better, we have made a breakdown of expenditures for the last fiscal year. One shows expenditures which benefit the general public or someone else more than the farmer. The other shows expenditures which benefit the farmer more than anyone else.

Our intent is to present in an unbiased way a picture of how the items in the agricultural budget should be charged. Officials of the Department of Agriculture have done this in a general way in a table issued January 27, 1959.

At the close of these remarks we are placing a table in the record to show the breakdown as we have made it from the budget and from Department figures for the 1959 fiscal year. USDA officials have cooperated with us in developing this table, and it has been checked by them.

The business of providing food and fiber for our country is one of the most basic industries we have. For this reason, the agricultural budget goes way beyond the farmer himself. Let me illustrate:

For a number of years we have had the school lunch program. This is not intended to be a program for farmers. It is a program

for the schoolchildren of the country. Certain funds, and in some cases certain foods, are made available to schools meeting the necessary standards for the serving of school lunches.

In the past fiscal year the budget provides \$144 million for this purpose. More than 2 billion meals are being served to 11 million schoolchildren in some 56,000 schools throughout the country. State and local groups are matching the Federal contribution by nearly 3 to 1.

The wool price support program is just the opposite. The \$21 million in payments on wool last year go directly to wool growers. In fact, it is intended as an incentive. The \$713 million included in last year's budget to finance the soil bank acreage reserve is another direct outlay to farmers.

The past fiscal year's budget has an item of \$150 million for food distribution to the aged and the needy. This is properly considered as a program benefiting the general public rather than the farmer specifically. There is another item of \$240 million for the agricultural conservation program. This might be called a borderline case. For every dollar of Federal funds spent on this program the farmer on the average spends another dollar. The effect is to give double benefits to conservation industries and to the general public in national conservation gains. However, we are counting this program as one primarily benefiting the farmer. Conservation payments are made directly to the farmer, and are used as an incentive to make it possible for farmers to contribute as much to conservation as they receive.

There is a clear distinction between the \$21 million carried in the last fiscal year to finance meat inspection, and the \$68 million to finance the sugar program. Meat inspection is clearly a service provided for the general public. The sugar program is one of direct benefit to the sugar producer and to the domestic sugar industry.

When you hear that in the last fiscal year \$5.4 billion was charged up for stabilization of farm prices and incomes, remember that more than \$1 billion of this is represented by the value of commodities sent to other countries under the program known as Public Law 480, and for which we receive foreign currencies. This is strictly a foreign relations and defense program. It involves the use of surpluses after they have been produced. In my opinion it is an excellent program which is serving the country well and could perhaps serve it even better. But this money is not properly chargeable to farmers. The Department recognizes this in its January 27, 1959, compilation.

Also, charged to the farmer in the last fiscal year was \$129 million worth of materials for which farm products have been bartered under the Public Law 480 program and are being transferred to the supplemental defense stockpile. This also is recognized by the Department as not appropriately chargeable directly to the farmer. The international wheat agreement involving \$65 million in the fiscal year 1959 budget also is a program bearing more directly on foreign relations than upon agriculture itself.

Included in the total for stabilizing farm prices and incomes is one item involving \$38 million for the financing of military housing in Europe. If this sounds farfetched, it is because the use of some surplus farm products was involved in this financing.

What about the cost of farm price support itself?

The budget for the past fiscal year shows \$3,118 million for price support, supply, and purchase programs. Our table allocates \$989 million as appropriately chargeable to farmers directly out of this amount.

Most of the \$3 billion charged to price support is backed up by crops turned over to Commodity Credit Corporation by farmers as collateral for the loans they have received. The \$989 million which I consider to be appropriately chargeable to farmers out of the total represents an estimate of a little more than 1 year's loss on such commodities.

The farmer is not given a handout. In exchange for a loan, he turns over to the Government commodities meeting certain grade and quality requirements. It is appropriate to charge the farmer with the loss on these commodities for 1 year, and possibly a little longer. It is not appropriate to charge the farmer for everything.

One reason is that the farmer has no control over what happens to the value of his collateral after it gets into the hands of Commodity Credit Corporation. On the other hand, the policies of the Department of Agriculture have much to do with what happens to the value of the farmer's collateral.

Another reason is that more than one-third of total expenditures for price support involve spending of primary benefit to business. These represent a proper charge against price support programs, but it does not seem fair to charge such expenditures to farmers.

The largest of these business items is one of \$683,173,000 representing storage, handling, and transportation charges for a year. In other words, a little more than one-fifth—22 percent—of all the price support expenditures, went to the people who store, handle, and ship our grains, cotton, tobacco, and other commodities.

The second largest business expense is \$203,215,000 for the cost of exporting crops. This is an appropriate charge in terms of the disposal of a commodity, but hardly proper as a charge against the farmer. There may be some that are surprised to know that our merchant marine obtains so large a subsidy from the farm program. In addition, the shipping interests of this country have a subsidy program all their own. It has averaged \$175 million a year for each of the last 20 years. You may remember in our hearings last year the report on nonfarm subsidies which showed that ship subsidies had totaled \$3.5 billion in a 20-year period.

The third largest of the business expense items for price support in the past fiscal year was \$102,368,000 as net interest cost. Needless to say, this does not go to farmers. The other business items include nearly \$42 million for the purchase of strategic materials; about \$37 million for acquisition of additional storage facilities. Administrative expenses, including Federal Reserve bank charges, totaled \$48,802,000. The figures are all given in some detail in the table that follows.

When the charges are more appropriately assigned to their proper place, Mr. Chairman, the farmer is allocated \$1,831 million out of the \$5,386 million charged to him in the budget for stabilization of farm prices and income. This represents 34 percent of the total now so charged.

If to this are added the cost of the agricultural conservation program and the conservation reserve—and there are those who would argue with force that conservation is not properly chargeable to agriculture alone—the total expense assigned directly to farmers out of the entire 1959 agricultural budget comes to \$2,212 million. This represents 30 percent of the total budget of \$7,341 million.

Estimated Department of Agriculture 1959 fiscal year budget expenditures

	Amount	Of the items listed at left these are appropriately chargeable to farmers
	Millions	Millions
Charged to farm program for stabilization of farm prices and incomes:		
Price support, supply, and purchase programs: This includes expenditures primarily to business totaling \$1,116 million, but these funds do not go to farmers ¹	\$3, 118	\$989
Public Law 480, title I—exchange of farm commodities for foreign currencies	² 1, 049	
Public Law 480—transfer of bartered materials to supplemental stockpile	² 129	
Soil bank—acreage reserve	713	713
International wheat agreement	² 65	
Wool program	21	21
Food distribution	² 150	
Sugar program	68	68
Marketing quotas and allotments	40	40
Other (military housing, \$38,300,000; waterfowl feed, \$35,000; and sale of stockpile cotton less \$5,100,000 net income from crop insurance program)	² 33	
Charged to farm prices and incomes	5, 386	
Properly chargeable		1, 831
Programs mainly for benefit of the farmer:		
Agricultural conservation program (for every dollar of Federal funds spent on this program the farmer on the average spends another dollar, providing double benefits to conservation industries and to national conservation gains)	240	240
Conservation reserve program—payments made in exchange for removal of a specified number of acres from production for a stated number of years, and for carrying out conservation practices on the land while idled	141	141
Other programs, all with multiple benefits and not directly chargeable to farmers: ²		
Disaster relief, title II, Public Law 480 program	² 106	
School lunch program (over 2,000,000,000 meals to 11,000,000 children in 56,000 schools during fiscal 1959; Federal contribution matched nearly 3 to 1 by State and local groups)	² 144	
School milk program	² 73	
Investment in REA and FHA loans subject to repayment	² 590	
Long-range programs for the improvement of agricultural resources, including research, meat inspection, disease and pest control, education, market development and services, protection of soil and water resources, and forest and public land management	² 651	
Total agricultural budget	7, 341	
Properly chargeable to farmers		2, 212

¹ The business expense items include \$41,810,000 for purchase of strategic materials; \$203,215,000 export cost; \$36,841,000 purchase of storage facilities; \$102,368,000 net interest expense; \$48,802,000 administrative expenses, county office expense, Federal Reserve bank charges, etc.; \$683,173,000 storage, handling, and transportation charges for a year.

² Funds are considered by the Department of Agriculture to have multiple benefits and should not be directly chargeable to farmers. These are shown in a USDA tabulation dated Jan. 27, 1959.

**STATEMENT OF HON. B. F. SISK, A REPRESENTATIVE IN CONGRESS
FROM THE STATE OF CALIFORNIA**

Mr. SISK. Mr. Chairman, I welcome the opportunity to express to your committee my strong support of the proposal you and other colleagues have made to increase the authorization for the fiscal years 1960 and 1961 for the special milk program for children. Last week

I joined with a number of my colleagues from California in urging the Secretary of Agriculture to reconsider the proposed reduction in Federal payments for this program which he had announced. His reply was negative. I am happy to note the announcement today that the Secretary has reconsidered and that he now favors the legislation before your committee. I hope this will clear the way for earliest action and a prompt enactment of the increased authorization, so that our schools and other participating agencies may plan in confidence for continuance and enlargement of this most essential program.

In my opinion, we should rejoice that the increased authorization is needed, for it shows that this program has merited wide acceptance and is doing a job that needs to be done. The increased rate of expenditure demonstrates the need. If the proposal announced by the Secretary of Agriculture to reduce Federal payments per unit of milk served were carried out, most of our local schools would have no choice except to increase the price of the milk to the child, for they simply do not have the resources to make up the difference in cost. This would mean that the children who need milk the most would be the hardest hit; they are the ones who can least afford the increased cost and they are the ones whose pennies would not be there to provide them with the food values, the basic nutrition supplied by milk, they so urgently need. Their health and the health and strength of our Nation would suffer.

This certainly is reason enough to justify this legislation, but we have an added dividend arising through this most beneficial use of milk and the actual added market and stability the program provides for our hard-pressed dairy industry. Viewed as an agricultural surplus disposal program, the children's milk program is certainly among the finest and most worthy and workable of our Federal assistance plans. I feel sure you will take prompt action to get this proposal before the House and you may be certain of my active and strongest support.

STATEMENT OF HON. EARL HOGAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA

Mr. HOGAN. Mr. Chairman and members of the committee, I thank you for this opportunity to present an appeal to you to favorably report the request for an increase in the funds with which to continue the special milk program for children at its present capacity for the remainder of this school year, and to allow for the anticipated increase in need for fiscal year ending June 30, 1961.

No program in our Government offers so much to the youngsters of our Nation. A curtailment of the program will not only deprive the children from the nutritional benefits they are deriving at a time when they are most needed but will also add to the already bulging storage problem. The Government will be forced to buy the milk not consumed by these children and store it in the form of butter, cheese, and nonfat powder.

I feel that our schools, child-care institutions, summer camps and other nonprofit institutions dedicated to the care and training of children are bearing a fair share of burden brought about by our ever-spiraling economy. The program has been budgeted by the users in

most instances and in many cases the special equipment purchased to carry on the milk service is still being paid for in installments. Administrators are relying on the program to be carried on during this school year and in the future. To fail to see to it that the milk program is maintained at its present strength and rate of progress would be a tragedy. Certainly, we cannot expect future cooperation for other food distribution plans, if we fail to discharge our obligation in this program that has enjoyed the unanimous endorsement of all interested parties.

I would like to see an expansion of the present program, Mr. Chairman, rather than a cutback as ordered by our Secretary of Agriculture. My feelings are strong in this direction and prompted my introduction of H.R. 9329. It is my understanding that only about one-half of the schoolchildren are participating in the program at this time. We need only to reason that with the increased population and popularity of the program, that our thoughts should turn to the provisions of my bill that would make funds available to continue the special milk program at full capacity, and at full rates of reimbursement, to the end of this year and for the year that lies ahead.

STATEMENT OF HON. LEONARD G. WOLF, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IOWA

Mr. WOLF. I am very happy to submit this statement in support of my bill, H.R. 9469, and other companion bills which endeavor to increase the amount of funds provided for the school milk program to \$90 million for the fiscal year 1961.

Unless this measure is adopted, the program will have to be cut. Last November the Agriculture Department informed the schools and institutions which take part in the special milk program, that on March 1, 1960, the reimbursement rate would be cut by half a cent per half pint of milk. The program is at the point where the \$81 million previously authorized for this program will not be enough. This fact was known by many of us last year who worked for legislation at that time which would increase the amount of CCC funds available so that the program could meet the requirements of an increasing school age population.

It is my feeling that this program should neither decrease the amount of aid given, nor decrease the numbers of children of school age who qualify. Rather, the approach should be exactly the opposite. It should be aimed at increasing the numbers of children of school age who do qualify. Under the program at the present time, only one-half of the Nation's children participate, with 2.2 billion half pints of milk provided per year.

It was not the intent of the proponents of this program when it was first initiated in 1954, to freeze the cost or size of it at a certain level. The purpose of that program was to keep pace with the needs of our school age population; to fulfill our responsibility to improve the diets of our schoolchildren by providing them with adequate supplies of milk while at the same time expanding the production of our dairy farmers.

In my opinion, it would be utter folly to stabilize the program, as the Department of Agriculture suggests, by holding expenditures to

the level of \$75 million annually. Obviously, stabilization of this level necessarily means that the program would cover fewer and fewer children as the number of schoolchildren continues to rise.

Ways should be found, as Senator Humphrey has suggested, to "reach more child-care institutions, making milk available to still more children."

One of the unfortunate results of this program is the notion that it should be charged to the farmer as a subsidy because it is helping him. This is unreasonable. The intent of this program is not primarily for the benefit of the farmer. Rather, it is an aid to the millions of children in this country who would be without an adequate diet if this program was not in existence. This is the primary purpose of the program and it should be understood in that context. The program is another example of those activities which are the responsibility of Government to undertake in order to provide for the welfare of its younger citizens. I feel that this point should be made perfectly clear by the Department of Agriculture—which does not seem to make distinctions of this kind for the American taxpayer.

I urge on the committee and on the Congress support of Congressman Johnson's (Wisconsin) bill and other bills, including my own, which will make available for the special milk program an increase from \$81 to \$85 million for fiscal 1960 and from \$84 to \$90 million for fiscal year 1961.

STATEMENT OF HON. FRANK A. STUBBLEFIELD, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF KENTUCKY

Mr. STUBBLEFIELD. Mr. Chairman and members of the subcommittee, I appreciate this further opportunity to state my position in support of an increase in the funds for the special milk program for schoolchildren to prevent the projected cutback in this fine program. I strongly support the proposed action.

Also, Mr. Chairman, I would like to include as part of my statement a portion of a letter from the Honorable Wendell P. Butler, superintendent of public instruction, Department of Education, Commonwealth of Kentucky. Mr. Butler has written me as follows:

Since 1954 the special milk program sponsored by the USDA has been effective in making extra milk available to children in Kentucky schools. Each year funds have been made available by Congress in such amounts as to allow the program reimbursement pattern to remain stable. Appropriations have increased each year to meet the demands created when milk consumption increased and to provide for new schools which were approved for participation.

Apparently the appropriation for the 1959-60 school year is insufficient to keep pace with program growth, as we have been informed by the USDA that effective March 1, 1960, the maximum rates of reimbursement have been sliced to one-half cent per half pint of milk.

To make this reduction in reimbursement rate in the middle of the year would certainly have an adverse effect upon the program in Kentucky. It is felt that there will be an immediate reduction in consumption of milk in schools due to the necessity of increasing the cost the child pays for each half pint of milk * * *. It is further felt that many children will be excluded from the program and deprived of the privilege of enjoying milk as they are now doing. This will be especially true in areas where there are low-income families, and Kentucky has many of these areas.

**STATEMENT OF HON. MELVIN R. LAIRD, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF WISCONSIN**

Mr. LAIRD. Once again, I am here to indicate my full support of proposed legislation to increase the authorized use of funds for the special milk program in 1960 and 1961.

Wisconsin was the first State to enter the special milk program when it was inaugurated back in September 1954 and State officials have vigorously administered it to see that its benefits could be made available to the maximum possible number of Wisconsin children. During 1959, almost 4,500 Wisconsin schools and 100 camps and child-care institutions participated in this program. Almost 81 million half pints of milk were used in 1959, compared with 74.5 million half pints in 1958. So, even with an early start, our State had considerable expansion last year. I am pleased to learn that in some other States, where the program got off to a slower start, there is evidence of a real step-up in program activity this school year.

Certainly, this is not the time to try to limit the expansion of this program to additional children—I understand that only about half of our children are drinking milk at school.

And, most certainly, this is not the time to limit the program from the standpoint of the dairy industry. The expanded use of fluid milk under this program (it takes about 1 percent of our annual production), has been one of the real factors contributing to the reduction in Government takeovers under the price-support program. If, by withholding funds, we reduce the consumption of fluid milk by schoolchildren, it seems apparent to me that we will be spending additional funds to move more surplus manufactured products into Government hands. There is no economy, nor any other advantage, to that.

Increasing the authorization to \$85 million for this year, and to \$90 million for 1961, will assure the States that they may go ahead with plans to extend the program to more schools and more children. These funds will provide the Department with a reserve to manage their accounts and if the entire amount is not needed, it will not be spent.

I urge favorable and rapid action on these proposals so that school officials can be informed in sufficient time that current rates of reimbursement can be continued.

**STATEMENT OF HON. A. S. J. CARNAHAN, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF MISSOURI**

Mr. CARNAHAN. Mr. Chairman and members of the subcommittee, I appreciate this opportunity afforded me to appear before you in behalf of increasing funds for the special school milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in the schools. Among the bills before you is H.R. 9766 which I introduced. This bill would increase the funds for the fiscal year beginning July 1, 1959, from \$81 million to \$85 million and would increase the funds for the fiscal year beginning July 1, 1960, from \$84 million to \$90 million. By increasing the funds for this

program the Department of Agriculture would be in position to rescind the notification to the States that effective March 1, 1960, the rate of reimbursement to the States would be reduced.

Mr. Chairman, by increasing the consumption of fluid milk direct from the farm is one way in which we can reduce mounting surpluses thereby sparing the taxpayers some additional taxload. Milk in this program is used in public schools, in the nonprofit schools of high school grade and under, in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children.

The milk program needs more funds to meet the steady rise in the number of schools and schoolchildren. The State of Missouri entered into the program in good faith and has perhaps doubled milk consumption by schoolchildren. A reduction in the rate of reimbursement in the face of rising milk prices will force schools to either increase charges to pupils or reduce milk consumption. Mr. Chairman, penny-pinching should not come at the expense of proper nutrition for our schoolchildren. I therefore urge the committee to favorably report this legislation.

STATEMENT OF HON. JAMES M. QUIGLEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA

Mr. QUIGLEY. As a Member of Congress who, on occasion, has registered his protest both vocally and vote-ally against most of the agricultural support programs, it is both a pleasure and a duty to present to you a wholehearted plea for an increase in a support program that seems to me useful to everyone—the school milk program. Here we have a program that benefits the producing dairyman in increased consumption of his product at prevailing prices, it benefits the consuming children with the added nourishment that the milk affords and it even benefits the taxpayers by storing what might otherwise be dairy surplus in the bones and sinews of children where it will do some good rather than piling it up as surplus dried milk or butter in warehouses where it will do only the storagemen any good.

I could only wish that some of our other agricultural support programs worked as well, and it might not be a bad idea to investigate trying to cut down our wheat surplus by turning that, too, into healthful consumption by our youngsters. Perhaps we could have a school wheat germ program.

We are extremely lucky to live in a land which is blessed with an abundance rather than a scarcity of food. And with our abundance there comes a responsibility, a responsibility to use that surplus wisely and well. I hesitate to think just what a Khrushchev or a Mao-Tse-tung would do if he had our so-called surpluses.

The school milk program to me is an example of a wise discharge of our responsibility. There is no excuse for malnutrition in a nation whose food supply is as abundant as ours; there is even less excuse when it comes to our children. Yet we do have some malnutrition in our Nation and it is precisely to that sector of our population that the school milk program is the greatest help. And it is also that sector of our Nation which will be hurt the most if sufficient funds are not available to keep the school milk program on its present schedule.

That there should be any opposition to increased funds for increased participation in our school milk program astounds me.

As I understand it, the administration will have to cut down the subsidy by half a cent a half pint by March 1 to stretch out the current funds unless additional moneys are available. I would think even the most economy-minded Congressman would have great difficulty in persuading himself that money saved by decreasing the effectiveness and scope of our school milk program is anything but the most shortsighted kind of economy. Taking candy from a baby is a lot more charitable than taking milk from a school child.

Thus, I would think that this Agricultural Subcommittee in recommending an increase in school milk funds will be joined by urban, suburban and every other type Member of the House. I sincerely hope that you do authorize this increase to \$85 million for this fiscal year and \$90 million for next fiscal year.

Mr. JOHNSON. Thank you. At this point in the record and without objection I wish to insert two letters, one from Hon. True D. Morse Acting Secretary of the Department of Agriculture and the other from Hon. Gaylord A. Nelson, Governor of the State of Wisconsin. Also one from J. K. Hoyer, of Cumberland Community School.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., January 25, 1960.

HON. HAROLD D. COOLEY,
*Chairman, Committee on Agriculture,
House of Representatives.*

DEAR CONGRESSMAN COOLEY: This is in reply to your request for a report on H.R. 9331, a bill to increase the authorized expenditure of funds under the special milk program.

Public Law 85-478, as amended, now provides for the operation of the special milk program through June 30, 1961, and authorizes the use of up to \$81 million of Commodity Credit Corporation funds for 1960 and up to \$84 million for 1961. H.R. 9331 would increase these authorized expenditures to \$85 million in 1960 and to \$90 million in 1961.

In testimony before the Dairy and Poultry Subcommittee on January 20, the Department indicated that it felt some financial stability should be introduced into this program, especially in view of the more favorable demand-supply position in the dairy industry. We further indicated that we were opposed to any proposal to place the program on a permanent basis.

However, we did inform the subcommittee that if current rates of reimbursement were to continue in effect, additional funds would be required and that the Department would have no objection if the Congress saw fit to provide such funds.

The Bureau of the Budget advises it has no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE, *Acting Secretary.*

THE STATE OF WISCONSIN,
Madison, January 19, 1960.

HON. LESTER JOHNSON,
*Chairman, Subcommittee on Dairy and Poultry,
Committee on Agriculture,
U.S. House of Representatives,
Washington, D.C.*

DEAR MR. JOHNSON: I am writing to express my support for your bill, H.R. 9331, to authorize an increase in the amount of funds that can be expended by the Commodity Credit Corporation for use in the special school milk program. I regret that it is impossible to appear before your subcommittee in person. Please make this letter a part of your hearing record.

This bill will increase the authorized expenditure for school milk from \$81 million in fiscal year 1960 to \$85 million, and from \$84 million in fiscal year 1961 to \$90 million. I am advised by officials in charge of the special milk program in Wisconsin that this amount is required to forestall the reduction in the amount of Federal support of one-half cent per quart which the administration is presently planning to place into effect next March 1. It is required also to enable expansion of the program to grow at a regular rate so as to make milk available to increased numbers of schoolchildren.

I am firmly opposed to the recommendation of the U.S. Department of Agriculture, presented at hearings on this program last session, that expansion of the special school milk program be curbed by restricting it to a \$75 million per year level of expenditure.

If this recommendation were to be accepted by Congress, it would mean in effect retrenchment of the school milk program, rather than "stabilization" as claimed by Department of Agriculture representatives who appeared before your subcommittee. School population is increasing swiftly, and costs are rising steadily. Both of these factors would operate to compel retrenchment of the program if a ceiling of \$75 million is placed on it. Schools now participating would be forced to withdraw or to reduce the scope of the program in their institutions, as an arbitrarily fixed amount of money would need to be stretched out to provide for more and more enrolled pupils at higher and higher cost levels. Moreover, it would become impossible to expand the special milk program into schools and other institutions which are not now participating.

Instead of cutting back the special milk program, we ought to expand it aggressively until every schoolchild in America is able to get milk in school.

Even in Wisconsin only about 60 percent of the schoolchildren are now participating in the special milk program. The national rate of participation is below one-half. It appears entirely probable that the very children whose need is greatest for this valuable dietary supplement are, in most cases, those who do not yet have an opportunity to participate. Some school administrations with limited resources have been unable to participate in the special milk and the school lunch programs because of their shortage of personnel to handle essential administrative duties, or their lack of facilities for handling milk and serving meals. This is an aspect of these programs which your subcommittee might well explore at greater length.

I wish to give my strongest endorsement to this legislation and to urge your subcommittee and the Congress to act on it as promptly as possible so as to prevent the retrenchment which is now contemplated to take effect within a few weeks' time.

Sincerely yours,

GAYLORD A. NELSON, *Governor.*

CUMBERLAND COMMUNITY SCHOOL,
Cumberland, Wis., January 18, 1960.

HON. LESTER JOHNSON,
House of Representatives,
Washington, D.C.

DEAR SIR: The school milk program is one of the finest programs in our school system for the promotion of good health. We in the school business would appreciate your efforts in keeping the program at least at the level it has been. It is so easy to knock off one-half cent today, another one-half cent or one-fourth cent next year.

Thank you much for any effort you would feel proper to use.

Sincerely,

J. K. HOYER, *Supervisor Principal.*

Mr. JOHNSON. We will next hear from our colleague, Mr. Kastenmeier.

Mr. KASTENMEIER. Mr. Chairman and members of the committee, I want to take this opportunity to submit my statement for inclusion in the record at this point.

Mr. JOHNSON. If there is no objection, it will be put into the record at this point.

STATEMENT OF HON. ROBERT W. KASTENMEIER, A REPRESENTATIVE IN CONGRESS FROM THE SECOND CONGRESSIONAL DISTRICT OF THE STATE OF WISCONSIN

Mr. KASTENMEIER. Mr. Chairman and members of this subcommittee, I thank you for this opportunity to appear here today in behalf of my bill, H.R. 9498, the chairman's bill, H.R. 9331, and the several identical bills introduced by my colleagues. I already have received a number of communications from school representatives in Wisconsin who fear that the reduction in the reimbursement rate will adversely affect the program.

This special children's milk program, first instituted in 1954, benefits nearly one-half of the schoolchildren in the United States. About 80,000 schools and child-care institutions take part in the program and over 2 billion half-pints of milk will be consumed by children during the current school year. This consumption of a wholesome food full of vitamins and body and bone building nutrients is contributing substantially to the health and strength of our country's youth.

At the present time, the Commodity Credit Corporation is authorized to pay schools up to 4 cents for each half-pint of milk served as a separately priced item. In schools and child-care institutions serving just milk, the maximum reimbursement is 3 cents per half-pint of milk. The cost of the milk to the schools and to the students is thereby reduced. The economics of the reduced price is plain: More milk can be and is consumed.

The Department of Agriculture has ordered a reduction in the reimbursement rate to take effect on March 1, 1960. Most of us here today can remember that the Department of Agriculture opposed any increase in the appropriations for this program last spring on the grounds that the then-existing level of appropriations of \$75 million was adequate. Despite an increase voted at that time, existing funds already are found to be insufficient to carry the program at the current level through this school year.

If additional appropriations are not provided, the level of reimbursement will be lowered and the consumption of milk will be similarly reduced. For many students, especially those from low-income families, additional money is not available to pay more for the milk. On the other hand, if school boards have shared in the cost of the milk, their budgets have been set for the school year and cannot be changed to meet increased costs.

The problem facing schools throughout the country, if this one-half cent reduction in reimbursement is ordered March 1, 1960, has been reported by the superintendent of the Lodi, Wis., school, which was the first school in the Nation to participate in this program when it was instituted in 1954.

Mr. C. G. Hugill, superintendent of Lodi schools and a constituent of mine, wrote me as follows:

DEAR MR. KASTENMEIER: I understand that the Secretary of Agriculture, on November 11, 1959, issued an amendment to his regulations governing the operation of the special milk program in which the rates of reimbursement are to be reduced by one-half cent per one-half pint of milk, beginning March 1, 1960.

This means that our reimbursement for type A lunch milk would be $3\frac{1}{2}$ cents.

The only way in which this action can be rescinded would be through legislation by Congress. Would you please help with this legislation? School budgets are not prepared to handle the situation.

I have also received a copy of a resolution adopted on January 18, 1960, by the executive board of the Wisconsin School Food Service Association which requests that Congress rescind the action ordered by the Secretary of Agriculture. The resolution signed by Mr. R. W. Fenske, president of the association and superintendent of Union High School, Wisconsin Dells, Wis., which is located in my congressional district, follows:

Whereas the special milk program in Wisconsin has demonstrated its value in providing essential nutritional benefits to school children of the State; and

Whereas such program has provided a substantial, and ready market for the abundant milk production of Wisconsin's dairy farms; and

Whereas the Secretary of Agriculture has announced by amendment to regulations the reduction in reimbursement rates for milk served under the terms of the special milk program effective March 1, 1960; and

Whereas such reduction of one-half cent per half pint would tend to work a hardship on school districts and children participating in such programs; and

Whereas school budgets and finances for the current year have been established and cannot be readily amended to provide for the additional funds which this action would require; and

Whereas this action would in itself tend to discourage the expansion of the special milk program in Wisconsin and deny the nutritional benefits of this worthy program to the many needy children of the State: Now, therefore, be it

Resolved, That the Executive Board of the Wisconsin School Food Service Association do hereby resolve that the association go on record as opposing such action by the Secretary of Agriculture and requesting that such legislation as would rescind the action taken by the secretary of Agriculture and reinstate the prevailing rates of reimbursement for special milk, and that copies of this resolution be provided to Representatives and Senators from Wisconsin.

The superintendent of the Waukesha, Wis., public schools, which also is located in my district, describes the difficult situation which would confront Waukesha school officials in the event the reduction in reimbursement rate is instituted. Mr. R. G. Hein, the superintendent, writes as follows:

It has just come to my attention that the Secretary of Agriculture issued an amendment on November 11, 1959, which states that our allowance on milk will be reduced one-half cent per half pint beginning March 1, 1960.

This poses a very serious problem for us because at the present time we can sell our milk with the hot lunch program at 1 cent and milk without the lunch program at 2 cents. If the subsidy is reduced one-half cent, you can see that we will have to charge the children 1 cent more in each instance than we do now since most children buy only half pints at a time.

If this is going to be a legal policy, that is one thing; however, if the subsidy is reduced for a temporary period and then is increased to normal again, it causes greater confusion and inconvenience at the local level.

I hope you will use your influence to bring about action that will leave the subsidy the same so that we are not forced into an embarrassing situation in local schools.

I submit that it is imperative the increased appropriations be authorized at this time in order that the program continue at present levels.

Mr. Chairman, I thank you and the members of this subcommittee for the time you have given me.

Mr. JOHNSON. The next witness is Dr. Edgar Fuller, executive secretary of the Council of Chief State School Officers, who is accompanied, I believe, by Mr. John Perryman, executive director of the American School Food Service Association.

You may proceed.

**STATEMENT OF DR. EDGAR FULLER, EXECUTIVE SECRETARY,
COUNCIL OF CHIEF STATE SCHOOL OFFICERS**

Dr. FULLER. Mr. Chairman and members of the subcommittee, my name is Edgar Fuller. I am executive secretary of the Council of Chief State School Officers. The Council's members are the superintendents and commissioners of education in the States, Territories, island possessions, and the Commonwealth of Puerto Rico. It is a privilege to appear on behalf of your bill, H.R. 9331, Mr. Chairman, and similar bills introduced by your colleagues.

State administration of the school lunch and school milk programs is, as you know, a responsibility of the State departments of education in all the States. Naturally, most chief State school officers have a lively interest in these programs. Less than 2 months ago, at the annual meeting of the council, they adopted resolutions concerning changes in school lunch legislation, along with another resolution that applies to this legislation calling for complete financing of all current Federal support programs in the schools.

Mr. Chairman, we are glad you have introduced legislation increasing the amount of funds the Commodity Credit Corporation shall be authorized to allocate for the school milk program for fiscal years 1960 and 1961. This is necessary because the \$81 million thus far authorized for the current year is not enough to continue the regular allocations. The Department of Agriculture has announced that after March 1, the reimbursement for eligible half-pints of milk with Type A lunches will be reduced from 4 cents to 3.5 cents, and the reimbursement where milk is served alone will be reduced from 3 cents to 2.5 cents per half-pint.

Your bill would authorize \$85 million for the current year and \$90 million for fiscal year 1961, which I assume is the amount necessary to insure continuance of the program at current rates until June 30, 1961. We hope your bill will become law in time to permit the Secretary of Agriculture to maintain the rates of reimbursement now in effect.

It seems to me that the case for your proposal is very strong. The Commodity Credit Corporation has a total of \$14.5 billion authorized, of which \$11,405 million was in use on October 30, 1959. The funds used by the Commodity Credit Corporation for the very effective school milk program are small compared with those involved in the price support programs for dairy products.

The school milk program has many advantages. So far as I know, the farmers are well pleased with it. Compared with purchases for price support, it is little, if any, more expensive for the Government to operate. There is unquestioned value in using the milk for young Americans who in many cases badly need it and would often be left without it except for this program. Milk drinkers are developed as adult customers for the dairy farmers of the future.

It is also good that the school milk program routes the milk to the children through regular commercial channels. The program does not require that the Federal Government ever become the owner of the milk, or assume the responsibility for storage, or the problems

inherent in disposal of Government property, or any of the other responsibilities that go with governmental ownership of dairy products. This is not a question of increased Federal costs primarily; it is a question of whether dairy products shall be dealt with one way or another way. The fact that supply and demand are in closer balance than a few years ago is immaterial to our position on the milk program as long as any Federal purchases of dairy products are necessary.

There appears to be no good reason not to take advantage of the relative abundance of dairy products to support their use in schools at the level of the present program. To reduce the level of support means a reduction of milk consumption in schools, as has been proved by studies that were cited in testimony before this subcommittee last year. Thus a fixed authorization that results in higher costs to pupils and decreased milk consumption in schools is questionable policy, as long as there is a program of Government ownership and storage of dairy products they need.

It has been a privilege, Mr. Chairman, to appear here on behalf of your proposal to authorize maintenance of the school milk program at its present level of support.

I might say that the word "stabilization" as used by previous witnesses here this morning might mean either of two things. As they were using it, they would choose an overall budget figure, and then as the participation increases, the amount per one-half pint of milk paid by a school child would increase, because the Government subsidy would be reduced beginning March 1.

It might mean another thing. It might mean that the present level of support is about right, that it really promotes more consumption of milk than though "stabilization" were used in a different way. Then "stabilization" would mean the 4 cents and the 3 cents and the 2 cents per half-pint of milk for each of these three classifications for which those payments are made, regardless of the number of children who participate.

We believe that the more who participate, the better everybody is: it is good for the children, it is good for the farmers, it is good for the future of the farmers, and it is good for the country as a whole to encourage the drinking of milk in schools and to support it so that as much milk as possible will be consumed.

And so we would stabilize the program. But stabilize it at the level of support where it is per half-pint of milk by increasing the authorization, rather than by cutting down the amount of Federal assistance per half-pint of milk.

I might say something in regard to one other question, too, Mr. Chairman, with your permission. I realize that time is short.

To change over, as has been suggested here, from a price supporting theory to a child welfare or child education theory would be difficult. This would be to make school milk a charge against education rather than against agriculture. The proposal that school milk should be supported in cash appropriations along with the national school lunch program is partly sound, in my opinion, and partly not sound.

I believe if you will consider the cash that goes into the national school lunch program, and also the commodities which go into it, it is

charged about right as against the cash appropriations, on the one hand, and the surplus commodities on the other hand.

Anyway, we are all taxpayers. I would hope that the question of whether it should be called this or that should not obscure the very great importance of the milk program both to agriculture and to the children in the schools.

Mr. JOHNSON. You will admit, though, Dr. Fuller, will you not, that the farmers should not be charged all of the time for programs which help the school children of the country?

Dr. FULLER. Yes.

The farmers are helping all of these people all of the time—all of us who eat.

Mr. JOHNSON. Yes, and school milk is a part of it.

Dr. FULLER. Mr. Johnson, I have heard several people here say that they believe in the program and think it is a fine thing, and would not want to do anything to cause it to be phased out or otherwise eliminated. If that is true—and I speak from considerable experience in this—I was a State administrator responsible for the lunch program, was earlier a local consumer of the program, and now represent the State agencies for education that administer it in all of the States—if you take \$85 or \$90 million and tack it onto the \$110 million or more cash appropriation and ask for it all in cash, you will probably not get it. I think it requires team effort here between agriculture and education.

Just as soon as you “charge it” to education, as you say, you will have it in the same mixup and the very same division that we have for other Federal appropriations for education.

Mr. ABERNETHY. The school lunch program is not charged to education.

Dr. FULLER. But in the sense of not being a transfer fund from the Commodity Credit Corporation, and in the sense that going through the Appropriations Committee, the school milk program differs quite a lot from the national school lunch program—the cash part of it.

Mr. ABERNETHY. How do they differ—they are foods, are they not—then end objective is the same?

Dr. FULLER. There is a difference in the method, though, that makes quite a lot of practical difference in the appropriation. One is cash appropriation that comes up every year—it goes through the Appropriations Committee. And the other is a transfer from the Commodity Credit Corporation funds.

Mr. ABERNETHY. Do you feel then that the school lunch program should be transferred back to the jurisdiction of this committee and that it should be financed the same way as school milk?

Dr. FULLER. No, I do not. I think that they are in the proper administrative position now to do the best for the programs. If we want to eliminate the program, the transfer could do it very easily. I think a decrease in the total resources available to the school people would ensue.

Mr. ABERNETHY. I understood you to say that you are against phasing out the program.

Dr. FULLER. That is right.

Mr. ABERNETHY. And you are interested in perpetuating the school milk and school lunch programs?

Dr. FULLER. That is right.

Mr. ABERNETHY. And in the end it would not make any difference to you where it comes from out of the Federal Government, just so that we get the money—this is your primary interest?

Dr. FULLER. That is right.

Mr. ABERNETHY. That is your primary interest?

Dr. FULLER. Yes.

Mr. ABERNETHY. But you make a difference between the school lunch and the school milk program. They are in the same position. The end result is the same—the objective is the same.

I want to get this program out of the price support operation. It ought to come out. That is all I want to do. I am not trying to disturb the program. I want to get it out of the price support operation.

Dr. FULLER. I believe that the editorials and the speeches are very seldom directed toward the school milk program as such.

Mr. ABERNETHY. That is right—that is right.

Mr. JOHNSON. They just add that to it.

Mr. ABERNETHY. I am not saying that it is done deliberately. They do not realize what the situation is. My only objective—I will be frank—is to put this where it belongs. It is a social program. You are here representing the children?

Dr. FULLER. That is right.

Mr. ABERNETHY. Let us put it where it belongs then, in the interests of the children. If we are going to continue it, it ought to be continued in the interests of the children, just as is the lunch program.

I do not see any difference between them. I think that they ought to be put under the same roof.

Dr. FULLER. I think it is a matter of serving the interests of the school children. If you are going to jeopardize that interest by making a change in the bookkeeping, I would not do it.

Mr. ABERNETHY. You are assuming that—you do not know that it would be that.

Dr. FULLER. After a good many years of following these things, in handling the Federal-State relations for the State superintendents, it is my considered and honest judgment that it would be jeopardized.

Mr. ABERNETHY. I am interested as much in the children of my district as anyone. And I would not want to take any steps that would eliminate this program. That is not my purpose. I think that it ought to be put under the same roof as the school lunch program.

Either the school lunch program ought to be brought over here or the school milk program ought to be put over there.

Dr. FULLER. You are talking of the cash?

Mr. ABERNETHY. The objective is the same.

Dr. FULLER. Yes.

Mr. ABERNETHY. Let the money come out the same way.

Dr. FULLER. How about the surplus commodities, though, that are not in that?

Mr. ABERNETHY. Whatever you do not want in, we will take back.

Dr. FULLER. If you are going to take it all out of the same place, as you say, then you would have to do something about the surplus commodities under section 32.

Mr. ABERNETHY. We do not have to do that.

Dr. FULLER. I would leave the milk program with the other commodities, and leave the cash where it is now; leave both where they are dealt with now.

Mr. ABERNETHY. I want to continue to serve the children, but I am getting sick and tired of these editorials and hearing speeches charging this thing to my farmers, to the price support operation, when I know that it is not such. I am fed up with that.

I am sick and tired of reading those editorials. I want to correct that.

Dr. FULLER. I think that the editorials on the educational side, Mr. Abernethy, are more difficult to deal with than they are with on the agricultural side, insofar as the school milk program is concerned. I think that, as a team, agriculture and education can maintain this program. I think as soon as it becomes more a matter of education and is regarded as such and less a matter of agriculture that its support would be far more difficult as a practical matter.

Mr. ABERNETHY. Right now you are speaking from the social angle.

If we did this morning what we should do, to carry out the objectives in the 1954 act, we would reduce this program, because it was designed in 1954 as a price support operation. That is what it was designed for.

Now the Department tells us that the dairy situation is leveling off. They say that the surplus is about gone. Therefore, the objective for which it was created has ceased. It is gone. So if we did what we really ought to do from that standpoint we would do just as the Department has recommended this morning, to phase it out. You are testifying from the social angle. And from the social angle I am with you. So I think that we ought to put it on that basis and put it in that category.

Dr. FULLER. The school people, Congressman Abernethy,—I remember very well, indeed—had the welfare of the children uppermost in their minds in 1954.

Mr. ABERNETHY. In 1954 you did not know a thing in the world about this program. You were not here. You did not know about it. We had no testimony on it. There were no hearings. There was nothing in the newspapers about it. The doors were closed. Someone suggested it in the executive session for the first time. So we just added it to the bill before us.

Dr. FULLER. In 1953 and 1954, though, the program was discussed in the Department of Agriculture—

Mr. ABERNETHY. As to school milk?

Dr. FULLER. Yes; on school milk. And the administration of it began. The purposes were discussed at great length. I was there representing the States.

Mr. ABERNETHY. That was after the bill was enacted.

Dr. FULLER. It was after the bill was, probably, in the hopper, not necessarily enacted.

Mr. ABERNETHY. It was offered as an amendment right here by my friend, Mr. Andresen from Minnesota. We were in executive session.

Dr. FULLER. I realize how it came about. I think that there is a great deal of credit to be given to those who brought it about.

Mr. ABERNETHY. It came out of this committee unanimously.

Dr. FULLER. There is one other thing that I would say, too. When the Constitution of the United States was written no one had in mind

radio or TV or airplanes, let alone intercontinental ballistic missiles, and yet the force of the Constitution remains essentially as it used to be and it takes into account in the interstate commerce clause all of these things that were undreamed of when the Constitution was first enacted.

In 1954 this milk had two purposes. It had an educational purpose, to us at least, and it also had an agricultural purpose. Maybe the balance between one purpose and the other purpose has varied somewhat, but who can say 10 years from now that the balance may not go back the other way again. And so I think that to say the program should be eliminated, if one purpose has been carried out, is not quite right. We should look at it from the point of view of the schools and the school people, and from the point of view of developing a program which meets the needs of agriculture and the country and the children in the schools as needs arise.

Mr. HAGEN. Do you not have difficulty in selling the school people as to why they get 4 cents for a half a pint of milk and only 4 cents for a school lunch?

Dr. FULLER. I have been serving on the Committee of the State Directors of the School Lunch and School Milk Programs which meets regularly with the Department of Agriculture. This question, of course, has come up numerous times.

There is some difficulty in explaining that, but still I thought that it was explained by Mr. Davis very well here this morning, that they recognize it as a practical situation. At first, there were complaints. Now there are very few.

However, if you could make some adjustments that would seem to be more fair, certainly we would welcome them.

Mr. HAGEN. What is the practical situation?

Dr. FULLER. This is the practical situation in a State which has a high participation in the school lunch program. The Federal subsidy which started off at 9 cents for the school lunch, has now gone down to 3 cents in those States. Three cents is less than the same school gets for the second one-half pint of milk with that type of lunch. So it is difficult to explain why the Federal Government would pay 3 cents for a whole 25-cent lunch, and then pay 4 cents for the second one-half pint of milk that goes with that same lunch.

Mr. JOHNSON. You say that to this committee. You had better get over to the Appropriations Committee and get the school lunch appropriation raised.

Dr. FULLER. I am thinking in practical terms about how the programs can best be served. It seems that way to me.

Mr. JOHNSON. Are there any further questions? Congressman Byron Johnson of Colorado would like to present a statement at this time.

STATEMENT OF HON. BYRON L. JOHNSON, A REPRESENTATIVE IN CONGRESS FROM THE SECOND CONGRESSIONAL DISTRICT OF THE STATE OF COLORADO

Mr. BYRON JOHNSON. Mr. Chairman and members of the committee, I want to introduce one of my distinguished constituents, Dr. John Perryman, of Englewood, Colo., executive director of the American School Food Service Association.

Dr. Perryman is recognized both in Colorado and the Nation as being an expert in the field of school lunch programs. I commend what he has to say to this committee. He speaks for the director of the school lunch programs.

Our own State director, Mr. Charles Lilley, is chairman of the legislative committee and on the board of directors of the association.

I wish to urge this committee to make it possible for the children's milk program to continue and expand. I am surprised that the administration questions the desirability of making a thoroughly ongoing commitment to such a worthwhile program. Some 500 schools in Colorado alone are now providing milk to children under the child milk program.

If the reimbursement rate is allowed to go down, the price of school milk will go up. This cost will then have to be absorbed either by the local school districts or the schoolchildren themselves. This will place more of the burden on those who can least afford it and will tend to cut consumption among those who most need it.

This program surely deserves to be viewed as more than a price support program. Our greatest natural resource in the Nation is our children. Let us continue and strengthen, rather than weaken or abandon, our programs designed to guarantee the strong, healthy development of our children.

Mr. JOHNSON (presiding). We will be glad to hear from you now, Dr. Perryman.

**STATEMENT OF DR. JOHN PERRYMAN, EXECUTIVE DIRECTOR,
AMERICAN SCHOOL FOOD SERVICE ASSOCIATION, ON BEHALF
OF AMERICAN SCHOOL FOOD SERVICE ASSOCIATION, AND ON
BEHALF OF THE LEGISLATIVE COMMITTEE**

Dr. PERRYMAN. Mr. Chairman and members of the committee, since Congressman Johnson of Colorado was kind enough to introduce me, I would like to introduce the association which I represent.

I am executive director of the American School Food Service Association, with headquarters in Denver, Colo., and appear on behalf of the American School Food Service Association, and the legislative committee thereof, of which Mr. Charles W. Lilley is chairman.

Mr. JOHNSON. I believe that a year ago Mr. Gunderson, of Wisconsin, addressed your association. And at this point, I should like to place into the record a letter from Mr. Gordon Gunderson, and one from R. E. Gotham.

(The letters referred to are as follows:)

THE STATE OF WISCONSIN,
DEPARTMENT OF PUBLIC INSTRUCTION,
Madison, January 15, 1960.

Hon. LESTER JOHNSON,
The House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN JOHNSON: I am sorry it will be impossible for me to appear before the committee concerning your bill to increase the appropriation for the special milk program from \$81 million \$85 million for the fiscal year 1960 and from \$84 million to \$90 million for the fiscal year 1961. I should therefore like to take this method of signifying support of this measure.

Although the reduction which is proposed by the Secretary of Agriculture is established at one-half cent per half pint, the actual increase in the price of milk,

as far as the children and their parents are concerned, will be 1 cent, since schools cannot deal in fractions of a cent. There is every reason to believe that this will result in a reduction of milk consumption and will undoubtedly result in the denying of milk to many needy children throughout the State. Studies which have been conducted in this regard have shown conclusively that when the milk price is increased above one cent per half pint, the children from needy families are the first ones obliged to discontinue participation and thereby be denied the food value which a half pint of milk or more provides for them.

I think we should bear in mind, also, that budgets for the current year have been established, and it will be extremely difficult for most school districts to obtain additional funds with which to make up the loss in income which will be brought about by the reimbursement rate reduction, in the event a district should wish to do this instead of passing the additional cost on to the participating children. A reduction in reimbursement rate during the course of the school year has an extremely bad effect upon all of the people involved in the program, since they lose faith in the contracts which they have negotiated with us. This, in turn, will surely tend to discourage additional schools and children from participation in the program when we have actually succeeded in serving about one-half of the children in attendance in our public schools.

I sincerely trust, therefore, that your bill may meet with wholehearted approval and that the funds will be made available in time to avert an actual reduction in reimbursement rates such as has been proposed by the Secretary of Agriculture effective March 1, 1960.

Sincerely yours,

GORDON W. GUNDERSON,
Director, School Lunch Programs.

THE STATE OF WISCONSIN,
WISCONSIN STATE COLLEGE,
Stevens Point, January 19, 1960.

HON. LESTER R. JOHNSON,
*House Office Building,
Washington, D.C.*

DEAR CONGRESSMAN JOHNSON: It has come to my attention that the Secretary of Agriculture on November 11, 1959, issued an amendment to his regulations governing the operation of the special milk program in which the rates of reimbursement are reduced by one-half cent per pint beginning March 1, 1960. While I am in full accord with measures to reduce the unusually heavy expenditures of the Federal Government, I feel that the place to begin such economy is not at the expense of the health of the children in our school. This reduction would be small compared to tremendous wastes in other facets of the Federal Government.

I would like to urge your support of a measure designed to restore this small amount to the school lunch program.

Very sincerely,

R. E. GOTHAM,
Director, Teacher Education and Placement.

Mr. JOHNSON. You may proceed.

Dr. PERRYMAN. We are a nonprofit professional organization and have members in all of the States, with the exception of two. Our sole purpose is to work for the highest possible standards of nutrition, sanitation, administration, and education.

Mr. McINTIRE. Which are the two States who do not participate, who are not in your membership?

Dr. PERRYMAN. We have members in all of the States, but we do not have organized affiliates in North Dakota and Hawaii.

Our single purpose is to work for general excellence in foods. I have a prepared statement, Mr. Chairman, which I would like to introduce: and since there is some duplication, with your permission, I would like to highlight the statement.

Mr. JOHNSON. You would like the complete statement to go into the record as though submitted, but you want just to read several points?

Dr. PERRYMAN. With your permission.

Mr. JOHNSON. Without objection, it will be so done.

(The prepared statement of Dr. John Perryman is as follows:)

SPECIAL MILK PROGRAM

Statement by Dr. John Perryman, executive director, American School Food Service Association on behalf of American School Food Service Association (and the Legislative Committee thereof, Mr. Charles W. Lilley, chairman)

Speaking for the more than 19,000 members of American School Food Service Association (with affiliate organizations in 48 of the 50 States), we wish to express appreciation for the opportunity of appearing before this committee in regard to the special milk program.

The American School Food Service Association wishes to protest the administrative decision by the Department of Agriculture to reduce Federal reimbursement under the special milk program by one-half cent per one-half pint of milk. We disagree pointedly with the contention that such a reduction would not be injurious to the conduct of the special milk program. We are strongly of the opinion that such a reduction would be injurious to the program and we endorse legislation which would continue the current reimbursement rates as follows:

For schools operating under the national school lunch program 4 cents per $\frac{1}{2}$ pint special milk.

Schools not operating under the national school lunch program 3 cents per $\frac{1}{2}$ pint special milk.

Following is the thinking upon which our position is based:

The Nation now has 6 years of experience with the special milk program. We know that it has met with fidelity the needs it was created by the Congress to meet. A review of the Congressional Record shows that these needs have previously been set forth as follows:

(1) A contribution to an economically sound dairy industry and to the financial stability of the dairy farmer.

(2) An effort on the part of Congress to stabilize the production of milk and dairy products, foods basic to our national diet.

(3) An effort on the part of Congress to increase the consumption of fluid milk, thereby reducing surplus purchasing, storage, and distribution of such products as cheese and butter.

(4) To encourage the consumption of milk as one of nature's finest and most complete foods, especially for children.

(5) To make effective use of a commodity in abundant supply and at the same time encourage the habit of fluid milk consumption, both as an answer to dairy production and as an answer to nutritive requirements.

The reasoning behind this program was sound 6 years ago—and it is sound today. That the program has been successful is evidenced by the fact that 2.2 billion one-half pints of milk were consumed by children in the special milk program during 1958–59, and by the fact that additional funds are now required to complete the program for the present year, expected to be from 7 to 10 percent above last year's.

The growth of this program from zero to well over 2 billion half pints per year in 6 years is a performance record of no mean proportions and one which has come about through painstaking work and zeal. The administration of the program has been undertaken by school food service officials, who were given no additional staffs or operational budgets with which to do the job. From the beginning simplicity of operation has been promised by the Department of Agriculture in order to make this undertaking feasible for the already overloaded school lunch staffs.

The setting up of each special milk program required considerable additional administrative work on the part, not only of school lunch officials and workers, but also on the part of teachers, principals, and superintendents. The program has been entered into with some measure of reluctance and misgiving in many instances. Inventiveness and extraordinary measures have been required to create this whole new outlet for fluid milk. The fact that the program is now

operational in more than 81,500 of our Nation's schools, child care institutions, and summer camps, is a tribute to the dedication of those who serve our Nation's youth.

In 1960 the special milk program must be looked upon for what it is—not one single thought, word, act, or appropriation—but rather a widespread working cooperation of many people, from the Congress of the United States to the fourth grade arithmetic teacher who serves milk in her classroom. It should be remembered that this consumption of milk has been other than the one-half pints included in the type A requirements of the school lunch program. As a consequence, milk has been served in the classroom, in school halls, playgrounds, other recreational and athletic facilities, and under every conceivable circumstance where students gather. There can be no question but that the tremendous acceptance of the program has resulted, not only from the price of the milk, but also from its immediate availability. You can well imagine, gentlemen, the changes in school routine necessitated by this program. Additional equipment has been required such as refrigeration units, vending machines, portable carts, trays, and waste-disposal units. In many instances, additional personnel of both administrative and custodial categories have been required.

Without administrative compensation or reimbursement, State and local administrators have accepted the will of the Congress and have worked hard to make the program succeed. Succeed it has. The program is far flung, the machinery of operation for the year is in motion, and the people involved are legion in number.

If the ruling of the Department of Agriculture is permitted to stand, and reimbursement cut back by one-half cent in midyear, we anticipate the following results, all contrary to the intent of Congress in establishing the program:

(1) Most schools will increase milk prices by 1 full cent per one-half pint. (The administrative difficulties of a one-half-cent change in price, collected on either a daily or weekly basis, are readily apparent.)

(2) In many instances the additional one-half cent collected per one-half pint of milk would raise the school receipts above the permissible 1 cent per unit handling charge permitted by Federal regulations, thereby necessitating further reduction in the rate of reimbursement to the school.

(3) Consumption of fluid milk under the special milk program will sharply decrease (several studies conducted by the Department of Agriculture verify this inverse relation between price and consumption). This will have an unfortunate effect upon the dairy industry, will almost certainly require larger Government purchases of such items as butter and cheese, and will hit hardest at children from low-income homes—children who very likely need the nourishment most.

(4) A serious strain will be placed upon the working relationships maintained by Federal and State Governments with local administrators. One State director has advised us that he did not even have the postage budget to advise all the districts in his State of the change in the reimbursement rates.

It is very strongly our feeling, gentlemen, that Federal, State, and local governments have undertaken this program together. The tremendous expansion of the program indicates that no lack of enthusiasm has been evidenced on State and local levels in administering this activity in full accord with the will and spirit of the Congress in establishing this program. To now say that this outstanding, volunteer job has been "just a little too good" and that the Federal Government is unwilling to provide quite enough money to complete what it began would, in our opinion, have unfortunate, if not disastrous, effects upon the future acceptance of the program.

Dr. PERRYMAN. We wish to protest the administrative decision by the Department of Agriculture to reduce Federal reimbursement under the special milk program. We disagree pointedly with that. We certainly endorse the policy of continuing reimbursement at the present rates.

There are, I believe, two points that I would like to emphasize this morning.

One of them is the matter of working in cooperation among a great many people that make this program possible.

The special milk program is an excellent example, in my opinion, of the work and cooperation on the part of every level of government,

from the Congress of the United States, from the administrative branch of the Government, to the State departments of education, to the local school boards, and right down to the fourth grade arithmetic teacher who serves milk in her classroom. It is a program of tremendous breadth and scope.

There are about 81,500 programs in operation. By the sheer size of it and the momentum of it, a cutback on the rates, the change in rates, the change in the rules of the game, while the game is going on, would be tremendously difficult for us to administer.

I just cannot stress enough the difficulties involved, as has been brought out by the State departments of education in administering this program. And to do so without any financial assistance in the administration.

They already have the school lunch administrative staff that have taken on the added burden. They have done so with the assurance from the Department of Agriculture that administrative procedures would be kept just as simple as possible. And now to go back and have to change in midyear all of the working arrangements would be very difficult indeed.

We have had one State director, as a matter of fact, who said, "I do not have the postage necessary to notify all of my districts of the change."

So just as it is, a working cooperation among a great many people, we feel that it is somewhat unfair to the many people working on the program for them to enter into it in good faith on one basis, and then in the middle of the year have that basis changed.

The second point I would like to emphasize is that this program has, for all practical purposes, created a whole new market for fluid milk. And I think that this is a most important consideration.

The milk involved, the 2.2 billion half pints a year is milk consumed in addition to the one-half pints sold under the type A program. This means that some real inventiveness has been required to develop this program. It means that milk is sold in the hallways, it is sold in the laboratories, in the gymnasium, before school and after school, at the morning recess, at the afternoon recess. And as Mr. Davis pointed out this morning, we feel that a key to the success of the program has been the availability of the milk, the fact that school administrators have gone all out to make the milk immediately available, to make it palatable and almost equal with an attractive price. We feel that availability has been a key to the success of the program.

This has necessitated a great many digressions from what we have always considered to be the customary procedure within schools. Children being children, and fluid milk being fluid milk, when you spread that milk all over the school, as many administrators are doing, there are inevitably cases where milk is spilled, where there are added maintenance problems.

Gentlemen, if you just think of over 2 million milk cartons, or 2 billion to dispose of a year, even if you distribute them in 80,000 different places, you still have a major problem of maintenance.

Administrators have gone along with this. They have clearly supported the program. It has been in the best interests of the children. They felt that it was good for the youngsters. That is why they have done it, primarily, although I think that we are not totally unaware of the contribution which we believe it makes to the farmer.

I think no group of people involved in the annual utilization of 3.5 billion pounds of food, as our members are, will be totally unaware of its impact upon the agricultural economy of the Nation.

Primarily, we are concerned with what it does for the youngsters.

We feel that the decrease will have many unfortunate effects. We fear that the increase will be passed down to the children. We fear that in most cases the increase will be a full cent rather than a half cent, because schools are not set up to sell milk on a fractional basis. We fear most of all a serious strain will be placed upon the all-important working relationship maintained by the Federal and State Governments with local administrators.

In conclusion, it is very strongly our feeling, gentlemen, that Federal, State, and local governments have undertaken this program together. The tremendous expansion of the program indicates that no lack of enthusiasm has been evidenced on the State and local levels in administering its activity in full accord with the will and the spirit of the Congress in establishing this program. And to now say that the outstanding volunteer job has been a little too good, and that the Federal Government is unwilling to provide quite enough money to complete what it began, would, in our opinion, be very unfortunate, if not disastrous upon the future acceptance of the program.

Thank you.

Mr. JOHNSON. Thank you for your statement.

Mr. HAGEN. Are all of your members public school employees?

Dr. PERRYMAN. Yes.

Mr. HAGEN. We had a situation out in Denver that was somewhat scandalous.

Dr. PERRYMAN. How so?

Mr. HAGEN. I understand that the schools in Denver were paying a cent more for milk than they were in immediately surrounding areas. Bids in the city were specified so that only one big dairy could bid, I understand. Are you familiar with that situation?

Dr. PERRYMAN. No, sir; fortunately, I am not. [Laughter.]

Mr. ABERNETHY. Did you hear about it?

Mr. HAGEN. You are from Denver?

Dr. PERRYMAN. The office is in Denver. We have nothing more to do with public schools in Denver than we have any place else in the Nation.

Mr. JOHNSON. Are there any further questions? If not, we thank you both, gentlemen.

I understand that Congressman Dague was present before, and that he has a group of five people from Pennsylvania who would probably like to testify.

They are Mr. Roy Morton, the Penn Dairies of Lancaster, Pa.; Mr. Frank Heckel, vice president of Penn Dairies, Lancaster, Pa.; Mr. Ralph E. Coleman, supervising principal of the Donegal Jointure School System, Mount Jay, Pa.; the Honorable Howard Perry, of the State Legislature of Pennsylvania; and Mr. Clyde Zehner, of the department of public instruction, Harrisburg, Pa.

Will you gentlemen please come forward?

You may proceed.

STATEMENT OF ROY MORTON, PENN DAIRIES; ACCOMPANIED BY FRANK HECKEL, VICE PRESIDENT, PENN DAIRIES, LANCASTER, PA.; HON. HOWARD PERRY, STATE LEGISLATOR, STATE OF PENNSYLVANIA; AND CLYDE ZEHNER, DEPARTMENT OF PUBLIC INSTRUCTION, HARRISBURG, PA.

Mr. MORTON. Mr. Chairman and members of the committee, my name is Roy Morton from Lancaster, Pa., with the Penn Dairies, Inc.

We have on the committee a member producer, a farmer producer, and an administrator from the State of Pennsylvania for the school milk fund, Mr. Perry. Unfortunately, Mr. Coleman, who is the supervising principal of the Donegal Jointure School System of Mt. Jay, Pa., could not be present.

We thought that if there were any questions that we could possibly answer, one of us could answer them directly from our experience.

I myself am associated directly with the schools.

Mr. Heckel is vice president of our company.

Mr. Zehner has all of these statistics for the State of Pennsylvania.

We have come fully prepared to encourage the sponsoring of the bill which Mr. Johnson has introduced.

Mr. JOHNSON. Do you have prepared statements that you care to read or file?

Mr. MORTON. We do not have prepared statements, other than Mr. Heckel has a prepared statement on the effects of the reduction. And Mr. Zehner has a prepared statement on the program in the State of Pennsylvania under two Governors. The Honorable Howard Perry has a statement, as a farmer.

Mr. JOHNSON. I know that the time is getting late and we want to get through. If you want to read them, you may do so, or if you want to file them, they will be printed. It is up to you to decide what you want to do.

Mr. HECKEL. I can file my statement.

Mr. JOHNSON. If there is no objection, that will be done.

(The statement of Frank Heckel is as follows:)

STATEMENT OF FRANK HECKEL, VICE PRESIDENT OF PENN DAIRIES, LANCASTER, PA.

We sell 33,600 half pints milk daily to schools under the Federal milk program. If the subsidy is reduced one-half cent per one-half pint, we will lose 40 percent in sales (approximately), or 13,400 one-half pints daily, or 268,800 one-half pints per month (20 days to school month). This milk will be a surplus to the farmer and will go to manufacturing milk or class No. 2 milk. Under the Pennsylvania control the difference between class No. 1, which is bottled milk, and class No. 2 is \$3.15 per hundred. (\$6.65, 4 percent class No. 1; \$3.496, 4 percent class No. 2; difference \$3.15); 268,800 one-half pints equals 134,400 pounds per month times \$3.15 per hundred equals \$4,233.60. Therefore, the farmers will lose in their monthly pay \$4,233.60. If we lose \$268,000 one-half pints and the farmers lose \$4,233.60 then the farmer will lose \$0.015 per one-half pint instead of the one-half cent per one-half pint.

Mr. ZEHNER. I have a graph showing the growth of the special milk program in Pennsylvania compared with the national school lunch program over the period which has been a healthy growth. I have read carefully the statement that was presented to this committee by Dr. Perryman, executive director of the American School Food Service

Association, and I am in full accord with all of the statements that he has made, starting on page 5—every statement he has made is applicable to the State of Pennsylvania.

I would like to say to the committee that one of the reasons we were able to encourage the school people to put the special milk program into effect was the fact that every Congressman voted for the increased appropriation, with the exception of one, and he was sort of apologetic, as I remember, as to why he did not vote for it. This was encouraging to the school people, to feel that if they took on this program, it would continue to be supported by appropriations.

Any small amount or deviation from that amount that is appropriated at the present time would tend to create in the minds of the school people a feeling that maybe this thing is not going to be continued—that somebody is going in a sense to pull the rug out from under you.

School people have gone into quite a large investment in vending machines. In the city of Erie, for example, it has recently purchased 20 vending machines. They are concerned as to whether the program will continue, so that those machines can be paid for according to their agreement.

The administration of the program, so far as it is concerned, if this change goes into effect, will change the reimbursement rates of approximately 75 percent of the schools in the State of Pennsylvania.

Mr. ABERNETHY. Are you now able in Pennsylvania to meet the difference in the cost of the school lunch? I believe that the Federal Government picks up about 8 cents of it.

Mr. ZEHNER. We are in the 4-cent bracket, so far as lunch is concerned.

Mr. ABERNETHY. What do your lunches cost?

Mr. ZEHNER. In Pennsylvania, our average price is about 25 cents to the child. We estimate that the Federal appropriation is 4 cents. The commodities are approximately 6 cents, so the child is getting a 35-cent lunch for 25 cents.

Mr. ABERNETHY. At the time when the reimbursable amount was considerably more than that?

Mr. ZEHNER. Yes, it was.

Mr. ABERNETHY. What was the highest reimbursable amount in the school lunch program?

Mr. ZEHNER. It was a maximum of 9 cents. I think that continued until—

Mr. ABERNETHY. When that was reduced down to 4 cents, did it result in a reduction of your school lunch program?

Mr. ZEHNER. No. There has been an increase. And the reason for the reduction is due to the increased participation and stabilization. The appropriation did not increase as fast as the participation increased.

Mr. ABERNETHY. The school lunch program has grown over the years?

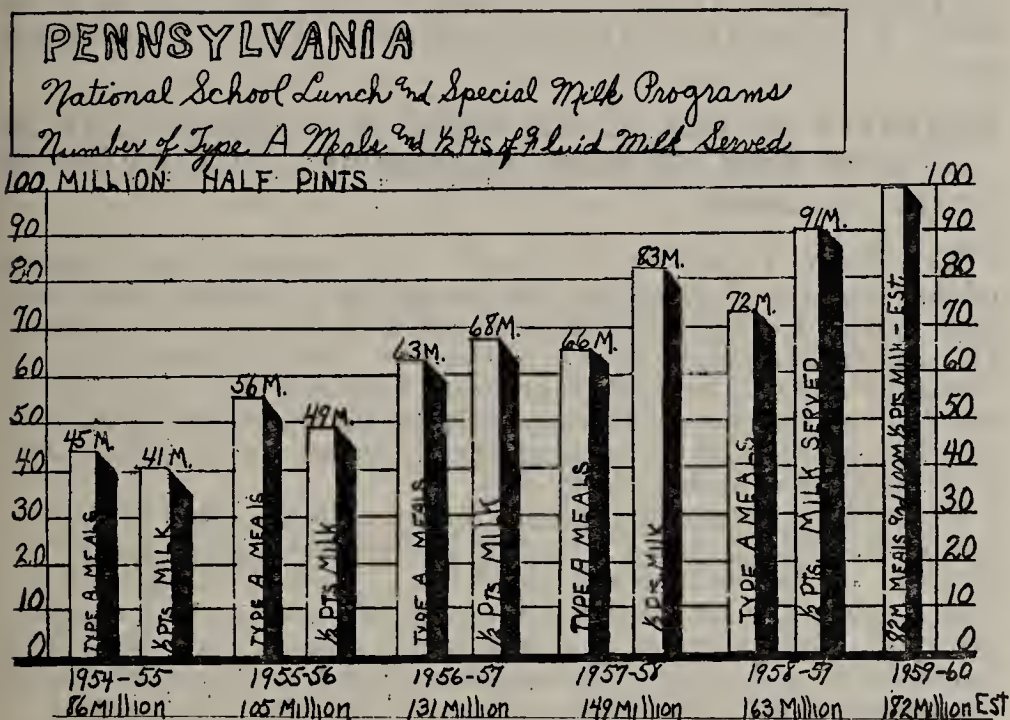
Mr. ZEHNER. That is correct.

Mr. ABERNETHY. Do I understand correctly that the school milk program would not continue to be operated at the same level in Pennsylvania if the reimbursable figure was reduced slightly, about one-half cent? Of course, we do not propose to do that. That is why we are here today, to prevent such if we can.

Mr. ZEHNER. The schools that would be affected, possibly, are those which are not on the special milk program. Their reimbursement would be reduced to 2.5 cents, and the use of the vending machines would be impractical at that level, with the cost of milk at 7 cents, which we have under our milk control in the State of Pennsylvania.

Mr. JOHNSON. The graph that you referred to previously will be made a part of the record at this point.

(The graph referred to is as follows:)



Mr. JENNINGS. In order to clarify just one figure that has been going around in my own mind, at one time you received 10 cents in the class A lunch from the Federal Government. You received 6 cents from surplus commodities and 4 cents—rather, that is what you receive now.

You received 4 cents in monetary allowance direct preparation and 6 cents worth of surplus commodities?

Mr. ZEHNER. Approximately, that is right.

Mr. JENNINGS. At one time you received 9 cents?

Mr. ZEHNER. Yes.

Mr. JENNINGS. How much surplus commodities were you receiving at that time?

Mr. ZEHNER. As I recall, it was during the war when there were not any available. That is when we went to the cash reimbursement.

Mr. JENNINGS. So you have changed from a 9-cent direct appropriation to a 4-cent direct appropriation plus a 6-cent surplus commodity appropriation or receipt, and you are now receiving 1 cents more from the Federal Government than you have ever received?

Mr. ZEHNER. On that basis, that would be correct; yes.

Mr. JENNINGS. You have to take the money to buy these commodities, the meat, the cheese and the beans and the poultry and so forth—

the Government has to purchase. You are now receiving 1 cent more, really, in the school lunch program than you received back when the Federal Government got X appropriations for that purpose?

Mr. ZEHNER. That is correct, but there was a time when there was no cash appropriated at all. It was all commodities. Perhaps we are swinging back toward that line. I do not know what the thinking of the Department or the Congress is.

Mr. JOHNSON. May I interrupt you at this time. When I allowed the Congressmen to make their statements, Mrs. Pfof was not in the room. I am going to give her the opportunity to make her statement now.

**STATEMENT OF HON. GRACIE PFOF, A REPRESENTATIVE IN
CONGRESS FROM THE FIRST CONGRESSIONAL DISTRICT OF THE
STATE OF IDAHO**

Mrs. PFOF. Thank you very much. Mr. Chairman and members of the committee, I appreciate the time you have allotted to me to appear in behalf of my bill, H.R. 9366 and H.R. 9331 by our colleague, Congressman Lester Johnson of Wisconsin. Our bills would increase funds for the children's milk program for fiscal 1960 and 1961. I should like to commend Chairman Johnson for being the first Member to introduce a bill on the opening day of this session and for holding these hearings at such an early date.

The millions spent today on milk for our children, could be the biggest element in providing a healthy and energetic generation of tomorrow. In this enlightened age of human understanding, we know that a poorly fed, or insufficiently fed child means a weak or sickly grownup. Such a person is a drag on the economy, and lends little happiness to a family. With an expanding population, we should automatically provide additional funds to meet the extra demands.

The special milk program for children started in 1954, and now reaches approximately half of the schoolchildren in the United States.

During the 1958-59 school year, better than 80,000 schools and child-care institutions participated, with the children drinking some 2,175 million half-pints of milk. This is a most impressive record. But our burgeoning population—and correlative needs—makes even this figure an inadequate one for the years ahead.

We must strive to fulfill the American objective that no person, especially a child, shall lack the food required for adequate nutrition. The program's hope to millions of American youngsters must not be tarnished by false budgetary considerations. Its 6-year history is a credit to your foresight and concern.

It was first authorized in the revised dairy price support provision of the 1954 Agricultural Act. More than 41,000 schools participated in the program that first year, with 45 million half-pints of milk distributed at a total expenditure of \$17.1 million.

Originally limited to schools, a successful modification in the program saw an increase in the second year to almost 1.4 billion half-pints of milk—an increase of almost three times the original volume. School participation jumped from 41,000 to 62,000. Commodity Credit Corporation funds expended in fiscal 1956 totalled almost \$46 million as contrasted with the first year expenditure of \$17.1 million. In the

schools—where milk is sold as a separately priced item—the program provisions have remained constant since the second year of operation. From its inception, schools under this type A national school lunch program have received a maximum of 4 cents per half-pint of milk. In schools and child-care institutions serving only milk, the maximum reimbursement is 3 cents per half-pint.

The 1956 Legislative Act which continued the program through June 30, 1958, saw it extended to settlement houses, child-care institutions, and nonprofit summer camps. The summer 1958 program entailed reimbursements of some \$650,000 to about 3,000 camps.

Thus we can readily see the school milk program to date has both increased the milk consumption among children and provided an ever-expanding market for fluid milk.

However, unless the authorization is increased as provided in my bill and H.R. 9331, the Federal Government's reimbursement rate to participating schools will have to be cut in order to stretch the money over the current school year.

This would have immediate and tragic consequences. The effect of inadequate funds for maintaining present rates of reimbursement would force State, school and child-care agencies to take one or more of the following undesirable steps:

- (a) Reject all new applications for participation;
- (b) Reduce reimbursement rates to all participating schools; or alternatively;
- (c) Continue payments at present contractual rates until funds are exhausted and then terminate the contract sometime during the year.

These would adversely affect the consumption of milk by America's children. Milk consumption by children from low-income families would be sharply reduced—if not totally excluded from participation.

School and child-care institutions participating in the coming year would be seriously hampered also. The lack of a guarantee of continuous payment at full rates of reimbursement throughout the school year would very likely blight the present enthusiasm by the schools. Many would surely radically limit or discard the program. Our needy children expect and deserve a more sympathetic and greater helping hand from us.

Mr. Chairman, in 1954 there were 23 million schoolchildren in the United States attending schools that did not provide milk or have a school lunch program. Congress bridged this void by providing in the 1954 bill—the initial appropriation of \$50 million per year for 2 years to supplement the milk program from the CCC funds. We wanted all of those children to have at least a pint of milk a day. Few responsible citizens would quarrel with the premise that the children of America were entitled to an adequate supply of the world's most complete food—milk. Or that they still are. Surely it is far better to have healthy children than to use the money to buy surplus butter, cheese, and dry milk. And surely, if we can send billions abroad, we can afford a few million for our own children. Good food builds a good nation.

This issue should not be resolved nor prejudiced by trifling economics such as a fraction of a cent per bottle of milk saved at the cost of health and energy for our children. Speaking for the people of Idaho,

let me assure you with all the vigor I possess, that we want all school-children to have at least a pint of milk each and every day.

This school milk program has had a salutary effect in every area of our economy:

1. It has helped reduce stocks in the bins of the CCC. This in turn has encouraged higher producer prices and increased producer income.

2. It is based upon active, nonpartisan cooperation between Federal, State, and local Governments and our individual citizens.

3. The amount of milk consumed through the program has increased substantially year after year, as cited hereinabove.

4. Fluid milk consumed by our children is obviously used more effectively than that permitted to accumulate in storage facilities.

The program has been resoundingly popular. Its effectiveness directly relates to the health and well-being of the Nation's most precious heritage—our children and future leaders. But we dare not lose sight of the explosive birth rate, which creates an ever-increasing number of eligible children. If the program is suddenly curtailed or retrenchments occur—or even if the program remains static in an expanding economy—its beneficial results would be negated by a vocal dissatisfaction.

For these reasons I respectfully urge this committee to unanimously and favorably report one of these bills. Congress would thus be asked to authorize the expenditure of \$85 million for fiscal 1960, and \$90 million for fiscal 1961 in support of the critical school milk program. By so doing you would have not only the thanks of the citizens of Idaho, and the heartfelt and eternal gratitude of the children of America, but more importantly a healthier and happier population.

Mr. JOHNSON. You may proceed now.

Mr. JENNINGS. Has this program been working satisfactorily?

Mr. ZEHNER. It has just about doubled itself in the last 4 years. It has a potential of 75 percent increase over the next 3 years, over its present level.

Mr. JENNINGS. You say it has increased 75 percent over a 3-year period?

Mr. ZEHNER. Over its present level. In other words, we could not double it again in the next 4 years. We are reaching now about 1,500,000 schoolchildren who are enrolled in the schools who are participating in the special milk program out of a total of 2,400,000.

Mr. JENNINGS. Do you have statewide participation?

Mr. ZEHNER. Do you mean if every school participates?

Mr. JENNINGS. Universally throughout the State of Pennsylvania, or do you have some areas that do not participate because they do not believe in it?

Mr. ZEHNER. It is accepted in every county. It is accepted in every county in about the same proportion.

Mr. JENNINGS. How much do you charge per half-pint of milk?

Mr. ZEHNER. The average reimbursement is 3¾ cents. And the price to the child in school on the special milk program is 5 cents. And those on the lunch program varies from 3 to 4 cents.

Mr. JENNINGS. How much does the child have to pay for the milk?

Mr. ZEHNER. That varies. In some schools it is as low as 4 cents and in some 5 cents. I would say that the average is 5 cents.

Mr. ABERNETHY. You get 3½ cents in addition to that?

Mr. JOHNSON. And the child pays 5.

Mr. ZEHNER. When they charge 5 cents, we reduce the reimbursement rate then to 3 cents in those schools.

Mr. JOHNSON. You reduce it to 3 cents?

Mr. ZEHNER. And the vending machines have saved the Federal Government money.

Mr. JOHNSON. I see.

Mr. ZEHNER. If the cost of the milk is 7 cents, plus 1 cent for distribution costs, that makes a total of 8 cents. If the child pays 5 cents, the reimbursement is 3 cents. If the child pays 4 cents, the reimbursement is 4 cents.

Mr. JENNINGS. You are selling milk at 8 cents per half-pint?

Mr. ZEHNER. It is sold to the child for 5 cents.

Mr. JENNINGS. I know that. You sell it to the child for 5 cents. If it pays 5 cents you reimburse the school 3 cents?

Mr. ZEHNER. The total income to the school is 8 cents.

Mr. JENNINGS. How much is the State paying for the half pint of milk?

Mr. ZEHNER. Seven cents to the dealer. The dealer gives a cent and one-half reduction over the wholesale price in Pennsylvania. The wholesale price for one-half pint is $8\frac{1}{2}$ cents. In our State all dealers, under the milk control commission, are allowed to give a reduction of $1\frac{1}{2}$ cents.

Mr. JENNINGS. This 1 cent is to take care of your administrative costs and distribution costs, and so forth?

Mr. ZEHNER. Pretty generally.

Mr. JENNINGS. The State is without any cost at all then.

Mr. ZEHNER. Only the cost of the administration.

Mr. JENNINGS. I thought that you said that this 1 cent took care of the administration and the disbursement and handling.

Mr. ZEHNER. I was thinking about the costs of administration at the State level. I think that we were confused. You were talking about the cost of administration at the school level.

Mr. MCINTIRE. As an official in Pennsylvania who has had a great deal of experience with the school lunch program, would you consider the program of feeding through the school facilities as a well-established pattern, one which will continue from now on?

Mr. ZEHNER. Yes, I believe it has been established to the point that it would be continued.

Mr. MCINTIRE. It may be wishful thinking, but if we ever came to a time when production in agriculture and the demand for agricultural commodities were balanced so that these surplus commodities were not available, what influence would this have on the program?

Mr. ZEHNER. Well, the price to the child simply would have to be increased to make up the difference.

We find in Pennsylvania where schools are forming jointures and the schools become closer, or close school hours are put into effect, then the participation reaches 85 to 90 percent. In other areas, where the schools are located to the residential areas, it drops as low as 15 to 20 percent. So it would be hard to make a general statement as to whether or not there would be a continuation and to what level.

I would say that it would continue to a higher level in those schools of jointures that had close school hours and long miles of transporta-

tion of children. Some of the children are hauled as much as 10 and 12 miles to the school.

Mr. ABERNETHY. Are these surplus commodities essential to the serving of a balanced and appropriate lunch?

Mr. ZEHNER. Yes, they are. They are considered to be more essential each year.

Mr. ABERNETHY. They are essential?

Mr. ZEHNER. I would say that they are essential.

Mr. ABERNETHY. In other words, if you did not have surplus commodities your school lunch program would be a deficient program?

Mr. ZEHNER. It would be deficient, or it would have to be made up by increased cost to the child by those same commodities.

Mr. ABERNETHY. That gives me another idea. I think that maybe we had better have a reimbursement to the Commodity Credit Corporation for the amount of commodities that we are putting into the school lunch program, and get that into the newspapers, too. That is all. Thank you.

Mr. PERRY. Mr. Chairman, I agree very heartily with what has been stated by some of the members of the committee with regard to some of the adverse publicity they have been getting from some of our metropolitan papers. And I think that we can do some of the things that you suggested this morning, and that it would be very helpful.

I wish to make a brief statement in regard to this milk program in Pennsylvania. We sell milk in Pennsylvania. The price is based upon utilization. The more milk we can keep in class 1, the higher our price will be. And we find that the school milk program helps to keep milk in the class 1. We note that very properly when our schools open in the fall of the year. Our percentage of class 1 milk will jump a few percent. In order to substantiate that statement we notice again over the Christmas holiday, when the schools are closed for 2 weeks, that it changes.

We note that less of it goes into class 1 milk. So as a result we generally find that the December milk check drops in percentage of class 1 utilization. The January check comes along and it is then generally back up again. We feel that this is doing very much to place milk in class 1 where producers like to see it.

Mr. HAGEN. Is it not true, however, that your actual peak period of dairy production, would be when the schools are not in session?

Mr. PERRY. That is true, but in Pennsylvania most of our milk is sold locally, through local distributors, and in local towns. And they have been rather insisting that we do not flood the market with surplus milk. So the good dairymen in Pennsylvania do not flood the market with surplus milk during May and June and July. In July it drops off a little, of course, when the fly season comes in. But many dairymen in Pennsylvania have a higher production of milk in September, October, November, December, and January than they do at any other time of the year—not all of them. But the dairyman who is in the business alone finds that he has to operate that way.

Mr. HAGEN. How do they do that?

Mr. PERRY. It is a matter of breeding.

Mr. HAGEN. Is it a matter of breeding?

Mr. PERRY. Yes.

Mr. HAGEN. Thank you.

Mr. JOHNSON. Are there any further questions? If not, we thank you gentlemen.

Our next witness is Mr. Reuben Johnson of the National Farmers Union. We are really having the Johnson boys here this morning.

STATEMENT OF REUBEN JOHNSON, REPRESENTING NATIONAL FARMERS UNION

Mr. REUBEN JOHNSON. Mr. Chairman and members of the subcommittee, the school milk program began as a popular program. It has enjoyed the support of parents and schoolchildren, State government officials, school administrators, and producers.

It is significant that the number of schoolchildren participating in the school milk program continues to increase. The situation has resulted in a reappraisal by the Department of Agriculture of the current reimbursement rate per half pint of milk being allowed the States. The rate heretofore established and paid to the States has amounted to 4 cents per half pint of milk in schools serving type A hot lunches and 3 cents in other schools.

Faced with the decision of whether to limit the participation in the school milk program or to cut the above rates of reimbursement, the Department of Agriculture made an administrative policy decision to cut the reimbursement rate by a half cent per half pint. We believe that this was a shortsighted and restrictive view of the attitude of Congress toward the school milk program. The prompt introduction of H.R. 9331 by Congressman Johnson and this early hearing on the bill serve to point up the interest that exists in the Congress in providing the financial support necessary to protect the reimbursement rate established at the outset of the program.

I have just read Congresswoman Gracie Pfof's statement. It is an excellent statement. I understand she has a bill in along with other members whose names Chairman Johnson mentioned at the outset.

The purpose and the effect of the increase in authorizations provided in H.R. 9331 is to prevent the cut in the reimbursement rate proposed by the Department of Agriculture.

Only about half of the Nation's schoolchildren are participating in the school milk program. Congress has the right as well as the obligation, therefore, to review the school milk program each year to see that as participation increases there is not a crippling setback in the terms of reimbursement that were thought fair and equitable at the outset of the program by the executive branch and the Congress alike.

Mr. HAGEN. Again for the record, the Administrator has two choices with the current authorization. One would be to cut the amount for each one-half pint or to reduce the number of schools participating.

Mr. REUBEN JOHNSON. He has another alternative. He can ask the Congress for the additional funds needed to maintain the establishment reimbursement rate.

Mr. HAGEN. That was the proposal.

Mr. REUBEN JOHNSON. I am happy to see that the Department this morning, apparently, has changed its mind. As I understood the testimony of Assistant Secretary Miller, they are now for the bill which Congressman Johnson has introduced. I am glad to see that.

Mr. JOHNSON. And a year ago they were not.

Mr. REUBEN JOHNSON. That is right. I am intrigued greatly by the ideas that have been put forth here by Congressman Abernethy as well as Congressman Jennings. We do not have a specific policy with regard to the points made, but I can assure the subcommittee that farmers are very much concerned about having the cost of these programs appear continually as charges against the farm program.

As Congressman Abernethy pointed out the cost of the school milk program is charged up to farmers. It probably would not be of as much concern to farmers if the Department of Agriculture would do a little elementary bookkeeping over there and tell the consumers more often just what progress is being made on programs which benefit them.

But we farmers are very conscious of our poor public relations with many people who work and live in cities. And we are working continually in an attempt to figure out how we can better our public relations. Fortunately, the picture is not all dark in this respect.

Certainly, if the Department were to do what Congressman Johnson suggested—that is, publish a report which shows just what part of the Department's budget is benefiting the consumer, then we would be very happy about it.

Mr. ABERNETHY. Would it not be just as accurate to charge the cost of schoolbooks to the school publishers, who furnish the schoolbooks, as to charge the cost of milk to the dairyman?

Mr. REUBEN JOHNSON. That is exactly right.

Mr. ABERNETHY. And would it not also be just as accurate to charge up as a subsidy the brick that is used to build the school to the brick manufacturers, as to charge the cost of the milk for the school program to the farmer—does that not make just as much sense—all of them are essential to a good school program for the schoolchildren.

Mr. REUBEN JOHNSON. Yes.

Mr. ABERNETHY. If this is going to be perpetuated as a subsidy to the farmers, then we ought to go back and take the position that we are subsidizing the schoolbook industry in purchasing books from them, and are subsidizing all of the other concerns that eventually put their products into the school programs.

Mr. REUBEN JOHNSON. I have discussed this with my good friend, Mr. Edgar Fuller, on several occasions, and I think that a major difference that exists in the minds of some of the educators as contrasted to my own personal thinking is that they just do not have faith in the Congress continuing to support this program—

Mr. ABERNETHY. I think that is an unfounded fear.

Mr. REUBEN JOHNSON. Unless the Agricultural Committee has a hand in it.

We have grown up in this program. You, Congressman Abernethy, made the statement that Congress would support this program following some other means of authorizing funds.

I happen to be prejudiced in favor of keeping administration in the Department of Agriculture. There are mixed feelings in my organization toward having the administration in the Department of Agriculture. I think, probably, that the Department of Agriculture could administer this program with cost charged to some other agency—just like sometimes when we have budgets in our own families

we go down the line and look at our list of expenses, and when we do not figure out quite where to charge an item, we make a decision which best fits our record requirements. The Federal Government has the same problem, and the solution can be the same as in keeping the family budget. I think that we could work out a way to do the bookkeeping that is required to charge this up to the agency of Government where it ought to go.

Mr. JENNINGS. I introduced a bill last year that would leave the administration with the Department of Agriculture, but the charge would be made to the Department of Health, Education, and Welfare.

Mr. REUBEN JOHNSON. When we look at the budget of the Department of Agriculture today, and the swollen amount of the current budget of the Secretary of Agriculture, which involves with his other budgets more money since he has been in office than all of the other Secretaries of Agriculture combined, we are wondering just how long, as farmers, we are going to be able to justify it. Anywhere that we could begin to transfer costs by bookkeeping and other ways—costs that do not benefit the farmers directly—I think you will find, in talking to the producers, that there is increasing sentiment for that.

Mr. MCINTIRE. I am interested in your observation. I happen to recall the criticism of the Department for not doing a better public-relations job. If my recollection serves me correctly, your organization supported the food stamp plan so that the whole thing would be charged to the farmer.

Mr. REUBEN JOHNSON. Congressman McIntire, we have backed a plan to charge it to the Department of Health, Education, and Welfare, too.

Mr. MCINTIRE. The bill that we had before us certainly did not charge it to the Department of Health, Education, and Welfare. My recollection is that the National Farmers Union supported the bill that we had before us.

Mr. REUBEN JOHNSON. We supported the bill. We were also supporting bills at that time, as I recall, that transferred it to the Department of Health, Education, and Welfare.

Mr. MCINTIRE. You are on both sides of that issue.

Mr. REUBEN JOHNSON. We were trying to be realistic at that time, I might say, and, perhaps we were, since Congress has approved a food stamp allotment plan which is better than no plan at all.

Mr. MCINTIRE. We were, too. I was trying my best to get this committee to put this over into the Department of Health, Education, and Welfare. You had a perfect right to criticize the Department, to charge that it failed in its public relations, and to suggest that the program go into an area where your organization wanted to put the food stamp plan.

Mr. REUBEN JOHNSON. Where this is concerned, so far as the administrative part of it is concerned, is not nearly so important as how we get the bookkeeping done—where we get the funds appropriated to. We ought to think about ways whereby we can show the appropriations for some of these programs which benefit people other than the farmers as charges to other more appropriate agencies of Government.

That does not mean that you transfer the administrative side of these programs.

I think, perhaps, there would be justification for a division of the administrative responsibility in a program like the school milk program and, perhaps, in the food stamp program, too. But, let me come back to this business of the bookkeeping, the charging of the funds to an agency is where you actually make the separation in the minds of the public between the programs that are chargeable directly to the farmers and those programs which are chargeable to the consumers.

Mr. JOHNSON. Are there any further questions? If not, our next witness is Mr. Patrick Healy of the National Milk Producers Federation.

STATEMENT OF PATRICK B. HEALY, ASSISTANT SECRETARY, NATIONAL MILK PRODUCERS FEDERATION; ACCOMPANIED BY N. J. POST, DIRECTOR OF SPECIAL SERVICES, NATIONAL MILK PRODUCERS FEDERATION

Mr. HEALY. Mr. Chairman and members, my name is Patrick B. Healy. I am the assistant secretary of the National Milk Producers Federation, with offices at 1731 I Street in Washington, D.C.

With your permission, I would like to file my statement for the record and to comment on its highlights.

Mr. JOHNSON. You may do so. There is no objection to that.

Mr. HEALY. First of all, we in the federation have had a deep and abiding interest in this program, because the federation was in on the original development of the program which was about as outlined by Congressman Abernethy earlier.

We are here today to support increased authorization for the program of \$85 million for the current fiscal year, and \$90 million for the next year.

In that regard, I would like to state that while there are some 10 or 12 bills before the committee now, in our mind they fall into two general classes.

One section of the bills provide \$85 million for this year and \$90 million for next year.

The other group provides the same amount of money, but tells the State school people that the program will be continuing, that it is the desire of Congress to continue the program. And for that reason we recommend to you for your consideration the bills introduced by Congressman Quie and Congressman McGovern.

It is our hope that the announcement which the Department of Agriculture made in November to the effect that they want to limit or reduce the amount of money available to the schools can be rescinded early. The Department told us that they would have to have some action by the Congress by the middle of February in order to make the reallocations, so that the schools can count on continuing through the current fiscal year.

It is our earnest hope that the Congress can take necessary action so that the USDA reduction notice can be rescinded.

We are here to speak for the dairy farmers. We would like to point out to you that while today the Commodity Credit Corporation does not have surplus butter in its stocks, there is a true surplus of milk.

We have about 2.5 percent more milk available to our population than is being sold commercially.

It is through programs such as the special milk program, the school lunch program, Public Law 480, the relief feeding programs, the Armed Forces and veterans programs, that we are able to balance supply with demand and thereby let the market improve prices to farmers.

We know that this year prices for manufacturing milk, milk which is not eligible for most of these programs, averaged on the market, I think, \$3.22 against a support level of \$3.06. That is 18 cents difference. That increase was worth about \$200 million to American farmers.

The only reason that that was able to happen is that this milk was not converted to butter and cheese and milk powder and deposited in Government warehouses.

That brings us to the question of who should control and run this program. While we agree completely with everything that has been said here regarding the charge for this program against farmers, we endorsed and supported the resolution of this committee last year, or the year before, in which you directed the Secretary of Agriculture to set this money aside and not charge it as a farm subsidy. Nonetheless, we feel that these programs must be under the supervision of the Agricultural Committee, because the programs must be geared and regulated so as to be used properly to maintain the balance between supply and demand for milk. If we turn these programs over to the Appropriations Committee to operate then you people, whose responsibility is agriculture, can have absolutely no control over regulating them for the benefit of the American farmers.

Mr. ABERNETHY. I think that statement, with all deference to you, makes just about as much sense as to say that we should hold control over the appropriations of every item that is for the Department of Agriculture. Every appropriation that is made to the Department of Agriculture today is made as the result of legislative authorization which originated in this committee. I honestly feel like it is a reflection on—well, not a reflection—I do not want to say that—but it is almost that—I think that your statement would be just as sound—and I do not agree with you—if you contend that we handle the appropriations for every function of the Department of Agriculture.

We do not handle it for the school lunch program. We do not handle it for research. There are literally hundreds of authorization acts which have come out of this committee which today are in the Appropriations Committee.

And I cannot, particularly, from the dairy people's standpoint, to save my life, see why this should not be charged up to the appropriate functions to which they should be charged.

Mr. HEALY. Mr. Abernethy, what I am trying to say here is that as you well know the dairy farmer took the tremendous burden of beating for the entire price-support program—

Mr. ABERNETHY. With all respect, I do not agree with that. I think that they took it like everybody else did. I think that the wheat and corn and cotton farmers are the men that took the burden. It has been put on their backs. We know that. Nobody has ever raised any question about the nearly \$2 billion we have expended for the

dairy industry. I am not complaining about it. But I want the record to be straight.

And this now the Department says that, "We have this balance between production and consumption." If this is a subsidy to the dairy farmer, then we have to agree that the purchase of schoolbooks from the schoolbook publishers is a subsidy to the schoolbook publisher people.

Mr. HEALY. The point that I was trying to make, Mr. Abernethy, is that while wheat is catching the brunt of this thing now——

Mr. ABERNETHY. Yes.

Mr. HEALY. In times past, when there were 600 million pounds of butter in the warehouses, that was all we read about.

Mr. ABERNETHY. Yes. But today the price support percentage-wise has gone up. It went up before you eliminated the surpluses.

Mr. HEALY. No.

Mr. ABERNETHY. Yes, it did—of course, it did.

Mr. HEALY. The basic price-support programs for which this committee is responsible cannot work without these subsidiary adjuncts to them which provide places to put the surplus foods. We think that it is extremely more important to put the surplus foods, such as surplus milk, to use by people, before it hits the market as a surplus and thereby becomes a depressant on that market.

Mr. ABERNETHY. That is because of the demand. As long as we pump up the demand through this sort of program the milk will always be there—it will always be there—we are pumping up the demand.

Mr. HEALY. No.

Mr. ABERNETHY. Of course, we are.

Mr. HEALY. No; milk production is down this year.

Mr. ABERNETHY. This money was not available in 1954.

Mr. HEALY. That is right.

Mr. ABERNETHY. We made it available and as a result of that our consumption went up to this level, and it went up a little bit higher as the result of this legislation. You pumped up the demand. And I am glad that we did. Naturally, the production has gone up.

Mr. HEALY. It has not.

Mr. ABERNETHY. Sure it has.

Mr. HEALY. No, sir.

Mr. ABERNETHY. You just said that the producers will have more than they can consume.

Mr. HEALY. That is correct, but we are producing less milk than we produced last year, and last year we produced less than the year before, the total national production.

Mr. ABERNETHY. Has this had anything to do with it?

Mr. HEALY. Nothing to do with it.

Mr. JOHNSON. There is one thing that I want to get clear at this point. If it were not for this program and programs like it, we would not be in the position we are in today.

Mr. HEALY. That is exactly my point. If we did not have these programs to utilize this surplus production when we are producing more than we buy—although we are not producing as much as we produced last year—if we did not have these programs the Commodity Credit Corporation would have mountains of butter in stor-

age. And all we are saying here to you is that it is better for you to spend money to feed milk to children, to encourage children to drink milk, than to give it to the Commodity Credit Corporation to buy and put into butter in their warehouses. Which is better. That is the main point.

Mr. JOHNSON. We asked one of the members from the Department as to the price of manufactured milk in 1954 when the program went into effect and they could not give the figures. Has it changed any?

Mr. HEALY. In 1954 the support level, if my memory serves me correctly, prices were supported was 90 percent of parity which, at that time, represented \$3.74 per hundredweight, national average fat content milk.

The Secretary reduced that in 1956 to \$3.25, I believe.

He further reduced it last year to \$3.06.

He continued at that rate this year. However, this year, for the first time in all of that period of time have we had milk sold for appreciably more than the support level. This year it averages 18 cents above the support level. And the reason it did is because we have these programs, such as the special milk program, the Armed Force program, the veterans service program, and many others like them, such as Public Law 480, which keeps this surplus production off the market as surplus available to the market, so that the price support floor becomes a ceiling on all factory milk prices.

Mr. JOHNSON. That 18 cents that you mentioned, does that include the price that the farmer gets for grade A milk?

Mr. HEALY. No; that was the national average price for the average fat content factory grade milk.

Mr. JOHNSON. The factory grade milk?

Mr. HEALY. The factory grade milk.

Mr. JOHNSON. That is what I wanted to clear up.

Mr. HEALY. This program, therefore, and others, have benefited both the grade A farmer and the manufacturing milk farmer.

Mr. ABERNETHY. Since we want to get the record straight on this, in 1958 dairy products were supported at 75 percent of parity—that is right, is it not?

Mr. HEALY. That is right.

Mr. ABERNETHY. In 1959 they were supported at what percent of parity?

Mr. HEALY. The Secretary announced that it was 77 percent of parity.

Mr. ABERNETHY. Right—I am not fussing about it. I want the record clear.

Mr. HEALY. If I may, Mr. Abernethy, I would like in that same regard to talk a little bit about parity.

Mr. JOHNSON. We all agree on that. I do not think that we had better get into that.

Mr. HEALY. I should like to, because this parity game that the Department of Agriculture has been playing ever since 1954 is not all that might appear just by reading the numbers. Were they, for instance, using the same parity rates that they used in 1954—and we have supported bills before this Congress to make them do so—75 percent of parity would be \$3.26 today, instead of having 77 percent, which is \$3.06. So this parity game is quite a thing.

Mr. ABERNETHY. I do not think that in presenting this in a manner indicating that it is a subsidy for dairymen that you render a service to the dairyman. I have been over this several times this morning. I certainly would hope that the Milk Producers Federation would reconsider its position.

Mr. HEALY. That is fine. What I say here is the position of the federation. I would like one thing to be said for the record, to show that we do not wish to call this a subsidy to the dairy farmers.

Mr. ABERNETHY. That is what I am trying to keep it from being called. To do so is unjust and unfair.

Mr. HEALY. What I was appealing for was for the group of men in this Congress, who are most knowledgeable in this field, to continue to control it, and that is the Committee on Agriculture.

Mr. JOHNSON. I would like to say something off the record.

(Discussion off the record.)

Mr. JOHNSON. On the record. You may proceed.

Mr. HEALY. There is one other thing that I would call to the committee's attention, that is, that the Department made considerable reference this morning to elbow room, this \$3 million or \$3,500,000 elbow room. It is our belief that if this program continues to accelerate as it has been doing, which we think is good, that, perhaps, this year the \$85 million will provide that elbow room for them, but I would think that, perhaps, the committee would want to question some of the technical people in the Department as to whether the \$90 million for next year will provide that room. I do not think it does.

Mr. HAGEN. Where do you think the figure should be?

Mr. HEALY. It is our belief that the program will require \$90 million in actual expenditures, because the Department must channel this money to the States early in the year before the program year starts. And there is some pickup here, and some loss here. And so they need about \$3 million or \$3,500,000 surplus. You understand that this is not an appropriation, but only an authorization. Even though you were to authorize, say, \$93,500,000, they would spend only \$90 million. I think, perhaps, that the committee could be well served to look into that very carefully.

With your permission, Mr. Chairman, we submit for the record some of the following letters on the subject before the committee:

First, a letter from Mr. R. W. Dorsett, assistant to the superintendent in charge of business of the Rochester public schools, Rochester, Minn., addressed to Mr. Bryan Rossi of Rochester Dairy.

Second, a letter from Mr. Howard Nordstrom, coordinator of lunchrooms of the Fresno City Unified School District, Fresno, Calif., addressed to Mr. E. L. Scaramella of the Danish Creamery Association.

Third, a letter from Mr. W. T. McCullough, executive director of the Welfare Federation, Cleveland, Ohio, addressed to Mr. C. K. Laughton of the Milk Producers Federation of Cleveland.

I might state that letters similar to these have been received from many other sections of the country.

Mr. JOHNSON. They will be included, together with your prepared statement at this point in the record.

(The prepared statement of Patrick Healy, together with the letters, are as follows:)

STATEMENT OF PATRICK B. HEALY, ASSISTANT SECRETARY, ACCOMPANIED BY N. J. POST, DIRECTOR OF SPECIAL SERVICES, NATIONAL MILK PRODUCERS FEDERATION

Mr. Chairman, members of the committee, my name is Patrick B. Healy. I am the assistant secretary of the National Milk Producers Federation with offices located at 1731 I Street NW.

The federation policies are those of the Nation's dairy producers speaking through their dairy cooperatives.

The special milk program, about which the committee is concerning itself, was fostered by the federation. It has been vigorously supported by our membership since its beginning in 1954. Our current resolution on the program states:

"The federation commends the action taken by the Congress in expanding the special milk program and providing that funds expended under the program shall not be considered as amounts expended for the purpose of carrying out the dairy price support program. Congress is urged to make the program permanent thereby assuring the continuation of its contributions toward improving the nutritional level of children and increasing the consumption of milk."

We thank you for giving us the privilege of appearing before you to discuss the current financing problems facing the special milk program for children.

The proposals for increased authorizations under the program, which we are here today to support, are not made on the basis of conjecture. In March 1959, we proposed that \$85 million be authorized for the 1960 fiscal year and that \$90 million be made available for the following fiscal year. These proposals were based upon an extensive study of the rate of development of the program and have been borne out by actual fiscal requirements necessary to continue the program at its current rate.

The U.S. Department of Agriculture announced, through the Federal Register on November 11, 1949, its intention to reduce, by one-half cent per half pint of milk, the level of reimbursement for milk consumed under this program. This reduction is scheduled to go into effect March 1, 1960.

We believe curtailment of this program at this time would be "penny-wise and pound foolish" for the following reasons. First, it would reduce participation in the program and thereby deny children its benefits. Second, it would slow up the momentum generated thus far through this program in broadening the base of consumption for milk. Third, because of the decreased participation, it would require the Commodity Credit Corporation to purchase more dairy products as surplus.

The federation membership has long supported the efforts of Congress to expand the consumption of milk and dairy products. This support is a matter of policy in the federation and a matter of record before committees of the Congress. The membership of the federation is very much aware of the effect Government-owned dairy stocks have on prices for milk and dairy products in the marketplace. It knows that so long as the Commodity Credit Corporation has an inventory of dairy products, no matter how small, this inventory will have the effect of making the price support level both a floor and a ceiling on the price received by dairy farmers for the milk they produce.

The special milk program for children, as well as several surplus diversion programs, are a part of the complex legislation which has emanated from the Congress and which, in its total, represents the farm program for milk and dairy products. Although the Commodity Credit Corporation currently has no butter in its warehouse, there is a true surplus of milk in the amount of approximately 2½ percent of total production. However, because of the special milk program for children, and other programs, a large part of this surplus never accumulates in the market place as a surplus and is, therefore, not an apparent surplus.

It is the apparent surplus which affects market prices. If the 2½ percent were on the market as surplus butter, farm prices would be even lower than they are today. Therefore, programs of this sort serve a twofold purpose. First, they divert milk to its most commendable use—the feeding of children—and, second, they prevent the accumulation of a surplus which drastically affects market prices.

The progress made by this program since its beginning is best shown by the attached table. We respectfully refer you to the fact that the service of milk increased from 449.8 million halfpints in the 1955 fiscal year to over 2.1 billion in the 1959 fiscal year. This is an increase of 367 percent.

The objectives set for the program are being realized. More milk is being consumed in schools and in child-care centers and summer camps. This means that more children are getting more milk in school than ever before. It means that costs for purchasing and storing dairy products under the price support program are lower. It means that more children are developing the habit of including milk in their diet, and are thereby improving the nutritional level of their diets. It means that CCC purchases of dairy products will be less, thereby decreasing the depressing effect Government stocks have on producer prices.

Because the excellent progress made under the program should be maintained at its present momentum, because the increasing school enrollment creates further need under the program; and because school officials and others should be assured that the program will be adequately financed and continuing, we support H.R. 9370 and H.R. 9690. These bills would increase the funds available to the program from \$31 million for the current fiscal year to \$85 million and from \$84 million to \$90 million thereafter. These recommended authorizations will, in our opinion, assure the continued progress of the program.

In conclusion, let me point out that the full benefit of the recommended increase for the current fiscal year will only be realized if it is approved in time to assure school officials that the funds will be available for operations this year. The administrative work necessary to get information to all interested parties takes time. With a March 1 deadline, this administrative consideration is even more important if a slowdown is to be avoided.

Thank you.

Unit participation, milk consumption and funds expended in special milk program for children

Fiscal year	Number of outlets participating	Milk consumption	Expenditures	Increase in expenditures over last year
		<i>Million half pints</i>	<i>Million dollars</i>	<i>Percent</i>
1955-----	41,094	449.8	17.1	-----
1956-----	62,266	1,394.2	45.9	168.4
1957-----	71,239	1,752.7	60.5	31.8
1958-----	76,478	1,918.2	66.3	9.6
1959-----	81,587	2,176.2	74.2	11.92

Source: U.S. Department of Agriculture.

THE ROCHESTER PUBLIC SCHOOLS,
Rochester, Minn., January 13, 1959.

Mr. BRYAN ROSSI,
Rochester Dairy,
Rochester, Minn.

DEAR MR. ROSSI: I note that the U.S. Department of Agriculture has made a decision to decrease the rate of reimbursement, effective March 1, 1960, for each half pint of milk served under the special milk program. The reason given by the Department for its action is insufficient funds to assure operations for the full fiscal year (July 1, 1959, to June 30, 1960), at 4 cents per half pint of milk in schools participating in the national school lunch program and 3 cents per half pint for all other schools.

Inasmuch as your dairy is furnishing our schools with large quantities of milk, you are aware that a cut would disrupt our financial position greatly. It is my belief, if the national school lunch program is to be a part of our socioeconomic system, the Federal Government should not go part way with it but should subsidize it adequately to prevent disruption each year of the monetary plans of the participating bodies. This fact should be got across to legislators.

I am offering these points to you in order that you may be advised of our position regarding this matter since you are a member of the National Milk Producers Federation. It was thought that your group may be in accord with our point of view and would lend your strength to defeating the decision of the Agriculture Department and substituting appropriate counter legislation.

Very truly yours,

R. W. DORSETT,
Assistant to the Superintendent in Charge of Business.

FRESNO CITY UNIFIED SCHOOL DISTRICT,
Fresno, Calif., January 13, 1960.

Mr. E. L. SCARAMELLA,
*Manager, Danish Creamery Association,
Fresno, Calif.*

DEAR MR. SCARAMELLA: I hope the following will answer your question of what the possible one-half cent reduction in milk subsidy for the national school lunch program might mean to Fresno City schools.

There has been no price raise for lunches or milk the past 3 years. This has been accomplished through the utilization of every possible means of cutting operational costs. It was hoped that the present price structure for lunches and milk could be continued throughout the 1959-60 school year.

If the one-half cent reduction in milk subsidy comes about, it would mean approximately an \$8,000 loss in revenue for the remainder of the school year. At this point, it appears that such a drop in receipts would necessitate a price increase for both lunches and milk. This, in turn, could mean a reduction in student participation in type A and C lunches.

Thank you for your interest in our problems.

Yours truly,

HOWARD NORDSTROM,
Coordinator of Lunchrooms.

THE WELFARE FEDERATION,
Cleveland, Ohio, January 15, 1960.

Mr. C. K. LAUGHTON,
*Milk Producers Federation,
Cleveland, Ohio.*

DEAR MR. LAUGHTON: The Cleveland Welfare Federation and its agencies are concerned about the USDA reduction in the milk subsidy effective March 1960.

The children's institutions, day nurseries, and summer camps have enthusiastically participated in this milk program, and have greatly appreciated the substantial cash reimbursement from it.

Any effort that your association can do to bring this to the attention of the Department of Agriculture to continue the present subsidy would be greatly appreciated.

Sincerely,

W. T. McCULLOUGH,
Executive Director.

CLINTON CENTRAL SCHOOL SYSTEM,
Clinton, N.Y., January 26, 1960.

To Whom It May Concern:

This statement is made in connection with the legislation recently introduced to provide a deficit appropriation to carry on the school milk program.

We purchase a great deal of milk, averaging about 20,000 bottles a month. We certainly would not like to see this program curtailed if it is at all possible to avoid it.

Of course, we shall continue to use large supplies of milk, but it is probable that the amount we purchase will have to be curtailed to some extent for the remainder of the year.

RICHARD J. RALPH, *Supervising Principal.*

MORAVIA CENTRAL SCHOOL,
Moravia, N.Y., January 26, 1960.

Mr. DANIEL J. CAREY,
*Manager, Mutual Federation of Independent Cooperatives,
Syracuse, N.Y.*

DEAR MR. CAREY: I have been contacted concerning your letter of January 18, to a director of your cooperative regarding the possible curtailment of Federal funds provided for the special milk program in the public schools of the State. We here at Moravia are particularly concerned over the fact that this program might be cut inasmuch as it would directly concern many of our students.

In my opinion, this program is one of the most worthwhile expenditures provided for the children of this country from Federal funds. In our school each

child is able to have one or more half pints of milk each day either with his lunch or, in the primary grades, during an afternoon milk break. Inasmuch as we live in a comparatively rural area and the economic standard of living is relatively low in most of our families, the very health of many of our children depends upon milk as a source of nutritional food. We have approximately 1,385 students. During any given month of about 20 school days these children consume a little over 28,000 half pints of milk. If we were to multiply this by the 10-month period that school is in session, we would come up with a figure of 280,000 half pints of milk. If we are to multiply this number of half pints of milk by the cost to us of $5\frac{1}{2}$ cents per half pint we find that the cost of this program runs to \$15,400. At the present time the State will reimburse us at the rate of 4 cents per bottle, or approximately \$11,200. This difference, or \$4,200, must be made up by the cafeteria or the sale to children. As you can readily see the child or the nonprofit cafeteria must contribute approximately $1\frac{1}{2}$ cents per half pint.

With the present educational program in danger of curtailment through increased costs and loss of State aid any reduction in the Federal aid to the milk program will have to be absorbed by the children themselves. I feel certain that if this condition comes to pass it will be impossible for many families who may have as many as 8 or 10 children to provide the necessary money that will enable their children to take advantage of milk at school.

I therefore urge you and your organization to do all in your power to aid the Federal Government in understanding our problem and thereby to carry on the special milk program as it has been in the past.

Sincerely yours,

CHARLES T. BUTTON, *Supervising Principal.*

CENTRAL VALLEY SCHOOL DISTRICT No. 356,
Spokane, Wash., January 21, 1960.

WILLIAM V. MARTIN,
Spokane Milk Producers Association,
Spokane, Wash.

DEAR MR. MARTIN: A copy of your letter has been forwarded to me in regard to the reduction of reimbursement for milk by the U.S. Department of Agriculture. This reduction from 4 to $3\frac{1}{2}$ cents would affect our program greatly.

For the months of September, October, November, and December of this school year, we have been reimbursed for 149,242 half pints of milk for which at 4 cents, we would receive \$5,969.68. Had there been a reduction to $3\frac{1}{2}$ cents, we would have received \$5,223.47—a difference of \$746.21. The rest of the year would be on a comparable basis.

Thank you for allowing me to make this comment.

Very truly yours,

Mrs. PATRICIA LACROIX,
Lunchroom Supervisor.

JOINT CONSOLIDATED SCHOOLS,
DISTRICT No. 414,
Deer Park, Wash., January 21, 1960.

SPOKANE MILK PRODUCERS ASSOCIATION,
Spokane, Wash.

DEAR SIRS: This is to inform you that the Deer Park Schools are opposed to the recent decision made by the U.S. Department of Agriculture to decrease the rate of reimbursement for each one-half pint of milk served under the school milk program, effective March 1, 1960. If our schools can be of any assistance in having such a decision rescinded or in having an adequate appropriation provided for the milk program we shall be glad to help out in any way we can.

The reduction in the rate of reimbursement for milk in our school will affect us in an adverse way. The lunch program must either absorb the loss in reimbursement by serving that much less food or else raise the price of the lunch. To raise the price of a lunch does not seem advisable at this time due to economic conditions. Therefore a student must of necessity get less for a lunch than before, because the lunch program is to be self-supporting. Students in our special milk program are those who are served milk at recess periods or who supple-

ment their own noon lunches with milk. These students will be required to pay the additional amount equal to the reduction made by the Department of Agriculture. I am afraid this will lower the daily participation in the special milk program. Therefore this reduction in the rate of Federal reimbursement for milk will lower the health standard of some 300 students who are regularly served in our hot lunch program and about 275 more who participate in our special milk program. We cannot afford to lower the health standards of the children who are the real assets of our country.

Sincerely yours,

VERNE H. SIEGEL, *Superintendent.*

FREEMAN CONSOLIDATED SCHOOLS,
DISTRICT No. 358, SPOKANE COUNTY,
Freeman, Wash., January 21, 1960.

SPOKANE MILK PRODUCERS ASSOCIATION,
Spokane, Wash.

DEAR SIRs: Mr. Van Emerson, the county superintendent of schools, has asked for a statement concerning the decreased rate of reimbursement under the school milk program.

Our school lunch program must be self-supporting, so if our reimbursement rate is decreased, we must either cut the lunch program or raise prices to make up the difference. Any raise in price would work a hardship on some of our people with large families and low income.

Sincerely,

THEODORE J. JOHNSON, *Superintendent.*

JANUARY 28, 1960.

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

GENTLEMEN: Inasmuch as we have been advised that a reduction in funds available through the school milk program is contemplated and because any such reduction in school milk funds would make it necessary to increase the cost of school lunches to our students,

We would urge you to make every effort to insure that--

(1) Sufficient funds be made available to carry out the school milk program without reduction for the remainder of the year, and

(2) Make sure that sufficient funds are appropriated to continue the school milk program at a maximum level for the forthcoming year beginning July 1.

Sincerely yours,

HAROLD B. WALTER,
President, Cooperative Dairy Farmers of Middleburg.
FLOYD F. WALTER,
President, Cooperative Dairy Farmers of Lewisburg.

The above resolution was passed unanimously by representatives of Cooperative Dairy Farmers of Lewisburg and Cooperative Dairy Farmers of Middleburg at a meeting January 22.

ANACORTES PUBLIC SCHOOLS,
DISTRICT No. 103,
Anacortes, Wash., January 19, 1960.

To Whom It May Concern:

The Anacortes School District No. 103 would like to protest the proposed cut in our reimbursement under the special milk program. This cut will disrupt a program in action.

We hope that an additional appropriation will restore the cut, and a full appropriation of \$90 million will be made for the next school year.

Sincerely,

CLARENCE E. HENNING, *Superintendent.*

BURLINGTON-EDISON SCHOOL DISTRICT No. 100,
Burlington, Wash., January 27, 1960.

Mr. E. M. NORTON,
Secretary, National Milk Producers Federation,
Washington, D.C.

DEAR SIR: We have been notified of the change in reimbursement from 4 to 3.5 cents in the special milk program.

To my knowledge the blame for this goes to the Federal level where there has been a cut in the moneys available to the special milk program.

This action will hinder us in our local program by forcing us to raise the price of milk, thus lowering the number of children who will buy the milk. I realize it is only one-half cent per one-half pint but this adds up in a hurry. In our small district it would amount to over \$300 a year. The lunch program operates on a nonprofit basis and most of the time it is a money loser, so any amount of aid helps us serve the children wholesome food at a low cost to them.

I will appreciate any action that will protect us in the future from such a cut in the reimbursement for milk served to children.

Sincerely,

ROBERT N. LARSON,
Director of Lunch Programs.

OAK HARBOR SCHOOL DISTRICT 201,
Oak Harbor, Wash., January 22, 1960.

Mr. E. M. NORTON,
National Milk Producers Federation,
Washington, D.C.

DEAR MR. NORTON: The special milk program is of real importance to us because of its relationship to the health of children.

We strongly urge you to exert every possible effort in the direction of the continuance of the program. Any decrease in the level of support at this time will be false economy.

Your support of the special milk program will be very much appreciated.

Sincerely,

W. B. GILBERT, *Superintendent.*

NEBRASKA-IOWA NON-STOCK CO-OPERATIVE MILK ASSOCIATION,
Omaha, Nebr., January 8, 1960.

Mr. E. M. NORTON,
Executive Secretary, National Milk Producers Federation,
Washington, D.C.

DEAR MIKE: I have just been informed by the State department of education that reimbursement to schools in the State under the special milk program will be reduced by one-half cent per half pint effective March 1, 1960.

Mr. Elliott, director of the school lunch services in Nebraska, points out very clearly in his letter the effect this can have on their school milk program for the remainder of this school year. In studying his letter, I feel very strongly that any disruption in the program during the school year will certainly have an adverse effect as far as consumption of milk is concerned. I firmly believe that Congress should give serious consideration to appropriation of additional funds to assure continuation of the program on its present basis, at least for this school year.

Increased participation in the school lunch and school milk programs have certainly had a desirable effect upon the income of dairy farmers nationally, and at the same time has helped promote a balanced and healthful diet for a great number of schoolchildren at a time in their lives when healthful diets are most important.

I know you are making every effort to see that this program is expanded, rather than curtailed and I hope it will be possible to obtain additional funds from Congress to see that this expansion can be carried out. I do not wish to leave the impression that funds to carry the program over for the remainder of the school year would be entirely satisfactory. I believe in the light of increased participation in the program that enough additional funds should be appropriated to carry this expansion through the next 2 years.

I am enclosing the letter from Mr. Elliott which may be helpful to you when hearings are held on this issue.

Yours truly,

W. J. GRANT, *General Manager.*

STATE OF NEBRASKA,
DEPARTMENT OF EDUCATION,
Lincoln, January 6, 1960.

WILLARD J. GRANT,

General Manager, Nebraska-Iowa Cooperative Milk Association, Omaha, Nebr.

DEAR MR. GRANT: As you no doubt know the U.S. Department of Agriculture has notified all State departments of education that special milk program rates of reimbursement are to be reduced by one-half cent per half pint effective March 1, 1960. The reason for the reduction is, of course, insufficient funds even though Congress authorized \$81 million, an increase of \$3 million for the program this year.

Perhaps a reduction of one-half cent per half pint of milk sounds insignificant to many people, but I would like to point out the difficulties it creates. Because your organization is very keenly interested in this program and affected by the success of it, it is our opinion they will probably wish to take some action in regard to it. It is estimated that this will result in a loss of approximately \$16,200 to the public schools of Nebraska.

Operation of the special milk program in the schools is governed mainly by regulations issued by the Secretary of the U.S. Department of Agriculture. Regulations for a program of the size and scope of this program are no doubt necessary and some of them must be quite arbitrary. One such is the regulation which forbids the income from the sale of the milk plus the rate of reimbursement from exceeding the cost by more than 1 cent per half pint. With fractional costs already in existence, and with fractional rates of reimbursement soon to be effective, we anticipate the administrative work of this program on the State level to at least double what it has been. With the limited staff we have in our office the addition of the special milk program has already been a burden most discouraging to us. Any additional burden is most likely to result in discouragement, if not denial, of participation in this program. We would like to see the program expanded to all children, rather than curtailed, for we sincerely believe it is a very worthwhile program for our children.

It is our considered opinion that most schools will increase the price of milk to children by 1 cent when the half-cent reduction in reimbursement is effective. Such an increase in price could well result in eliminating from the program the children who are in greatest need of it. It would also necessitate considerable correspondence and increased auditing of each monthly claim from each participating school. We do not have the necessary staff to do this.

This extra work, to say nothing of increased prices and decreased participation, could easily be eliminated for the remainder of this school year by a small additional authorization of funds by the Congress. Needless to say, it is useless for State departments of education to request such. We believe, however, that your members could be effective in securing such. We also believe it would be to their interest to do so. We do not believe it is reasonable or justifiable to expect the States and schools to make such an adjustment during a school year.

The decision should then be made as to whether or not the program should be continued another year and, if so, to what extent it should be aided by the Federal Government. At no time should we ever be expected to alter the program during the school year, regardless of cost.

On behalf of the State department of education and the schools and school-children of Nebraska we would like to request your careful and sincere consideration of this problem. If you desire more information please let us hear from you. We would certainly welcome a visit from you to discuss this more thoroughly.

Sincerely yours,

ALLEN A. ELLIOTT,
Director, School Lunch Services.

SEDAN PUBLIC SCHOOLS,
Mountain View, Okla., January 21, 1960.

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

SIRS: We here at Sedan School of Kiowa County, Mountain View, Okla., feel that our Federal Government should be enough concerned with the health and welfare of the future generation of citizens to guarantee that they get their one-half pint of milk by continuing the 4-cent reimbursement as we have a difficult problem of financing the program as it is. We oppose the one-half-cent reduction because it would cause us to raise the price of the meal to the students and many probably would not participate because of the decrease in the incomes of farmers this year.

Sincerely,

HAROLD HUGHES, *Superintendent.*

COUNTY SUPERINTENDENT OF SCHOOLS,
WASHITA COUNTY,
Cordell, Okla., January 19, 1960.

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

DEAR SIRS: This is to certify that I am opposed to the decrease in the rate of reimbursement for the milk program.

Reimbursement should not be reduced because: milk in the lunch program is vital for the pupils' health, although it does cause a considerable amount of bookkeeping, storage, etc.

Every penny is needed to keep the local schools' lunch programs out of the red.

Sincerely,

ASA A. MARSHALL, *County Superintendent.*

COUNTY SUPERINTENDENT OF SCHOOLS,
KIOWA COUNTY,
Hobart, Okla., January 18, 1960.

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

DEAR SIRS: I am opposed to the action of the U.S. Department of Agriculture of decreasing the rate of reimbursement for the milk program one-half cent.

If this is permitted to happen it will reduce milk consumption and affect the school program. Schools would have to charge the children at least 1 whole cent more as there is no way of collecting a half penny.

This of course would affect the children's health. Please do what you can to see that this proposed action does not become effective.

Respectfully,

SALLY MANSELL, *County Superintendent.*

COUNTY SUPERINTENDENT OF SCHOOLS,
BECKHAM COUNTY,
Sayre, Okla., January 18, 1960.

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

DEAR SIRS: I am a county superintendent of schools with all of the schools in our county having school lunch programs. We are seriously concerned about the U.S. Department of Agriculture's resolution to reduce the price of reimbursement in the milk program from 3 to 2½ cents per half pint.

Many children cannot participate if they have to pay more for milk thereby not getting milk as their growing bodies need. Many children never get milk at home but through the milk program have been taught the healthful values in drinking milk. I'm thinking of what it will do to our children.

A carton of milk at recess gives the child the pickup he needs to do his best work.

I am afraid several of our schools will discontinue the milk program if the reimbursement is decreased.

It is my hope that the legislation introduced to increase the appropriation will be passed so that the milk program can continue.

Sincerely yours,

RUBY F. BONNELL
Mrs. Ruby F. Bonnell,
County Superintendent.

CARTER, OKLA., *January 21, 1960.*

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

GENTLEMEN: I wish to protest the raising of the milk price to the schoolchildren even one-half cent.

This raise would force the schools to raise the price to the student 1 whole cent, which would greatly interfere with the established program. Many children would have to discontinue the regular drinking of milk.

At the present time each child in our school has milk with his lunch. We have estimated that a raise of 1 cent in the price of milk would cause a drop in our milk consumption of at least 50 percent.

Yours truly,

NORA B. AUSTIN.

CUSTER PUBLIC SCHOOLS,
OFFICE OF SUPERINTENDENT,
Custer City, Okla., *January 21, 1960.*

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

DEAR SIRs: The present rate of reimbursement for the special milk program in our school is sorely needed if we are to maintain this program for the students. I feel that a reduction in price reimbursement at this time will cause our local board of education to abandon this program. We have a number of students who participate in this program and if we are forced to raise the local price I know that they will not be able to continue, and thus the health standards set up will be lost. Providing services for the youth of our country is a very vital issue to me and I hope that any committee which considers this matter will consider the program in this light and strive to build the program up rather than decrease it.

Yours for better education,

HUBERT W. SANDERS, *Superintendent.*

HEXT CONSOLIDATED SCHOOLS,
Erick, Okla., *January 16, 1960.*

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

GENTLEMEN: We are a small school operating a lunchroom and serving milk with each plate.

We are barely making ends meet. If the price of milk increased any amount at all we would be forced to discontinue serving milk.

Sincerely,

LESTER ADAMS, *Superintendent.*

SHATTUCK CITY SCHOOLS,
OFFICE OF SUPERINTENDENT,
Shattuck, Okla., *January 21, 1960.*

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

DEAR SIRs: I have been advised of the decision of the U.S. Department of Agriculture to reduce the rate of reimbursement for the milk program, effective March 1, 1960, from 4 cents per half pint to 3½ cents for those schools participating in the national school lunch program.

I feel this is a very unwise decision because first, the milk that the students drink at school is, to a lot of children, the only milk they have. Second, with the decrease in commodities from years past, our school lunch programs have become increasingly difficult to finance. In our particular school, we would have to charge additional for our lunches to compensate for this loss of revenue. We deem it a health problem and do not charge for the extra milk that is consumed. Third, I think it would be most unfair to the milk producers. They have planned their individual situation on the prospect of milk consumption. I am sure new equipment and herd improvements have been made, by these producers, based upon what had previously been promised.

I sincerely trust that you will give consideration to these facts, and that you will see fit to leave the reimbursement rate on milk as it now is.

Sincerely,

ELWOOD RILEY, *Superintendent.*

CARTER PUBLIC SCHOOLS,
Carter, Okla., January 22, 1960.

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

GENTLEMEN: To raise the price of milk one-half cent would force the schools to raise the price to the student one whole cent which would interfere with the established program. Many children would discontinue the drinking of milk.

Some of the money we have been sending other countries would go well here.

Yours truly,

LOCKETT BACK, *Superintendent.*

CARTER, OKLA., *January 22, 1960.*

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

DEAR SIRs: As a teacher in a public school system, I wish to protest the raising of the milk price to the schoolchildren.

A raise of even one-half cent would make it necessary for the schools to raise the price to the students one whole cent. This would interfere with the established program and would cause many children to discontinue it altogether.

At the present time each child in our school has milk for lunch; but, according to a survey made this week, a raise in price would cause an approximate 50 percent drop in consumption.

Sincerely,

MARY LOU REED, *Second Grade.*

COLLEGE AREA SCHOOLS,
State College, Pa., January 27, 1960.

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

GENTLEMEN: The reduction in the rate of reimbursement for the special milk program in our public schools will materially reduce the effectiveness of the program. We urge your organization to use its influence with Congress to increase the appropriation and thus prevent this reduction in reimbursement.

Thank you.

Very truly yours,

ROY S. JAMISON, *Supervising Principal.*

PENNS VALLEY AREA JOINT SCHOOL,
Spring Mills, Pa., January 20, 1960.

NATIONAL MILK PRODUCTS FEDERATION,
Washington, D.C.
(Attention: Mr. E. M. Norton, Secretary).

DEAR MR. NORTON: The Penns Valley Area Joint School Board has been notified of a decision by the U.S. Department of Agriculture to decrease the rate of reimbursement, effective March 1, 1960, for each one-half pint of milk served under the special milk program. If this occurs, it will seriously effect the consumption of milk in the school cafeterias of the Penns Valley area causing an

increase in the cost of the meals and a decrease in the number of students benefited by the program.

The proposed reduction in subsidy means a daily loss of approximately \$21 to the cafeterias of our area. This is a major loss to us.

The Penns Valley Area Joint School Board by resolution on January 18, 1960, directed a letter of protest be sent to the proper authorities concerning this reduction and the subsequent loss to the schoolchildren of our area.

It is imperative that present subsidies be retained or increased and our board strongly recommends increased Federal appropriation to make this possible.

Please consider this letter as an official protest to the reduction of subsidies as well as a request for increased appropriation to pay for same.

Sincerely,

CURTIS M. WATTS,
Supervising Principal, Penns Valley Area Joint School.
MARY B. BARGER,
Secretary, Penns Valley Area Joint School Board.

UPPER SKAGIT VALLEY SCHOOLS,
CONCRETE SCHOOL DISTRICT No. 102,
Conerete, Wash., January 20, 1960.

E. M. NORTON,
Secretary, National Milk Producers Federation,
Washington, D.C.

DEAR MR. NORTON: We certainly do not favor the proposed reduction in the special milk program. It is becoming quite apparent that the Federal Government begins a project like the special milk program or similar projects; then in a few years it reduces the financial aid and continues to do so until the program has to be supported by local taxes or else discontinued. The general public is tiring of this type of operation. In our circumstances we will have to eliminate the special milk program if any more reductions occur.

Your help in this matter will be greatly appreciated.

Sincerely,

HUGH M. BARR, *Superintendent of Schools.*

MEXICO ACADEMY AND CENTRAL SCHOOL,
Mexico, N.Y., January 25, 1960.

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

GENTLEMEN: Parents living in this school district are concerned about the Federal school milk program for the rest of the year.

Children in this school are consuming on the average of 1,784 half pints of 3.9-percent pasteurized grade A milk daily. Of this amount, 42 percent is consumed by children apart from the type-A school lunch program.

This means that many underprivileged children are receiving at least one-half pint of milk daily at a cost of 3 cents per bottle. If the price per child increases, the number of underprivileged consumers decreases.

I believe this represents a typical upstate New York school district. We urge steps be taken to continue Federal support for this program.

Very truly yours,

STEPHEN T. STANTON, *District Principal.*

WESTERN AREA JOINT SCHOOL DISTRICT,
UNION COUNTY,
Mifflinburg, Pa., January 22, 1960.

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

DEAR SIR: In view of the fact that the reimbursement rate for the milk program in our public schools will be reduced effective March 1, 1960, I am writing to urge you to support further legislation for increased funds to carry on the milk program effectively.

Milk being one of the most nutritious foods offered on the school lunch menu it would seem that we should make every effort possible to keep the price at a level where all boys and girls in our schools could avail themselves of a healthful snack between meals as well as a supplement to the platter lunch at noon.

A raise in the price of milk offered to the pupils would have an adverse effect on the amount of milk we now serve in our schools. I, therefore, hope you will use your influence to keep the reimbursement rate at the present level in order that we may continue to offer the children all the milk they can drink at a reasonable price.

Sincerely,

MRS. AGNES C. PRICE,
Cafeteria Manager, Western Area Joint Schools.

DE KALB COUNTY BOARD OF EDUCATION,
Decatur, Ga., January 22, 1960.

Mr. E. M. NORTON,
*Secretary, National Milk Producers Federation,
Washington, D.C.*

DEAR MR. NORTON: Mr. Hornbuckle, of Atlanta Dairies Cooperative, has requested me to write you the details of the school milk program in the De Kalb school system.

Currently an average of 35,000 half pints of milk are used each day in the De Kalb school system lunchroom program. Of this number 10,000 are purchased under the provisions of the special milk program. The purchase of the additional 10,000 half pints is greatly encouraged by the Federal supplement. If this is reduced, it is anticipated by the school officials that the quantity of milk purchased by the schoolchildren will be considerably curtailed.

Sincerely yours,

JIM CHERRY, *Superintendent.*

MOOERS CENTRAL SCHOOL,
Mooers, N.Y., January 22, 1960.

NATIONAL MILK PRODUCTS FEDERATION,
Washington, D.C.

GENTLEMEN: We are deeply concerned that the reimbursement for milk for our school lunch program is to be cut one-half cent per bottle in the near future.

I can think of no better way to use Federal funds to assist the school districts, the dairy industry, and the children than to maintain our present program and allocation.

We serve over 600 half pints of milk daily to our schoolchildren and will appreciate your support in the matter.

Cordially yours,

PAUL E. VOGAN, *District Principal.*

MILLER GROVE RURAL HIGH SCHOOL,
Cumby, Tex., January 14, 1960.

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

DEAR SIR: We object to the reduction of funds for the special milk program. In fact, we think it should be increased, for the children of our Nation need this extra milk. Many of them would not get any milk at all.

The lunchrooms can just operate as the program is. Any reduction in the milk aid would seriously hamper our lunch program.

Sincerely,

H. T. MAHAN, *Superintendent.*

TULIA PUBLIC SCHOOLS,
Tulia, Tex., January 18, 1960.

Mr. E. M. NORTON,
Secretary, National Milk Producers Federation,
Washington, D.C.

DEAR MR. NORTON: The special milk program means a great deal to many of our students. This has been a very hard year on outdoor-working families. We have had wet, cold weather which has eliminated outdoor work.

Many families in our school district are having difficulties in providing milk and food for their children. If the special milk program is decreased, it will cause additional financial burden on the school and for many needy families.

I wish to express my opposition to any decrease in the financial support of the special milk program. If there is any way in which we may help to continue this program at its present level, please contact us.

We appreciate your interest and assistance in the promotion of this special milk program.

Sincerely yours,

W. V. SWINBURN.

DENTON PUBLIC SCHOOLS,
Denton, Tex., January 21, 1960.

Mr. J. D. WOODMAN,
General Manager, North Texas Producers Association,
Arlington, Tex.

DEAR MR. WOODMAN: It has been called to my attention that the U.S. Department of Agriculture plans to decrease reimbursements to schools for the special milk program. We feel that this action would definitely hinder such program in that it would be necessary for us to increase the price of milk at least 1 cent per half pint. An increase in price would reduce the milk consumption in the special program as well as the lunch program.

This program has been one of the finest sponsored by the Federal Government, and it is our hope and the hope of this community that nothing will be done to alter the effectiveness of such program. We actually consume over one-half million half pints annually in the schools and feel that it is a wonderful asset to the health of our school pupils; therefore, we request that your organization make every effort possible to avoid any reduction in the reimbursement to schools for this purpose.

Sincerely yours,

CHESTER O. STRICKLAND, *Superintendent.*

ALVORD PUBLIC SCHOOLS,
Alvord, Tex., January 20, 1960.

Mr. J. D. WOODMAN,
Arlington, Tex.

DEAR MR. WOODMAN: This letter concerns the reported possible increase in price of milk to school pupils under the special milk program.

The approximate amount consumed by our pupils under this program is 28 percent of the total milk purchased by the school lunchroom for all programs. I believe that an increase in price will reduce this amount by a large percentage.

The special milk program has been very valuable in encouraging youngsters to drink more milk. It would certainly be too bad to have the trend reversed as a result of such a price increase.

I sincerely hope that some other solution to the problem can be found.

Yours truly,

G. R. PRICE, *Superintendent.*

Mr. JOHNSON. We will now hear from Mr. Hugh F. Hall, assistant legislative director, of the American Farm Bureau Federation.

**STATEMENT OF HUGH F. HALL, ASSISTANT LEGISLATIVE
DIRECTOR, AMERICAN FARM BUREAU FEDERATION**

Mr. HALL. Mr. Chairman and members of the committee, the special school milk program, first offered in the school year 1954-55, appears to have encouraged an increase in milk consumption among school children. As a result of this increased consumption, the program has been of assistance in bringing about a more desirable balance in milk production with consumption. It has probably contributed to the fact that other Government support to dairymen in recent months has diminished.

Because pupil enrollment is increasing in schools to which the program has been available and new schools are making applications to participate, it appears desirable that the funds be increased as recommended in H.R. 9311. We understand that the proposed increases for the current fiscal year, 1959-60, from \$81 million to \$85 million and for the following fiscal year, 1960-61, from \$84 million to \$90 million will permit the program to be continued without reduction in the rate of payment which has been established. We, therefore, recommend to the subcommittee that the bill be reported favorably.

Mr. JOHNSON. Are there any questions? If not, I ask permission to have inserted into the record at this point a telegram and several letters that have been received by me.

Mr. McINTIRE. I move that the chairman be authorized to insert into the record such documents and others in his discretion.

Mr. JOHNSON. If there is no objection it will be adopted.

(The telegrams and letters referred to are as follows:)

LITTLE ROCK, ARK., *January 18, 1960.*

HON. LESTER JOHNSON,
House of Representatives,
Washington, D.C.:

We strongly favor your bill to increase funds for special school milk program. In our State alone more than 1,000 schools participate in this program providing extra milk daily to over 200,000 boys and girls. We feel this is one of the finest programs ever enacted by our Congress and we urge that it be broadened and extended.

ARKANSAS DAIRY PRODUCTS ASSOCIATION,
FLOYD SMITH, *Executive Secretary.*

SYRACUSE, N.Y., *January 20, 1960.*

HON. HAROLD D. COOLEY,
Chairman, House Agriculture Committee,
House Office Building,
Washington, D.C.:

Eastern Milk Producers Cooperative Association, Inc., representing nearly 10,000 dairy farmers residing in Northeastern States, is in full support of H.R. 9331 to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

Eastern's membership firmly believes that the school milk program has been of great benefit to the health of our Nation over the years it has been in effect. Additionally, this program has made effective and beneficial use of part of our abundance of dairy products while at the same time creating an improved future market for those products by encouraging schoolchildren to drink milk both for its nutritive value and pleasing good taste. This, we are sure, contributes greatly to the formation of healthful habits for later life and should

also do much to solve the problem of decreased consumption of health-giving milk by teenagers and young adults.

The vital increase in school milk funds also should result in some immediate improvement in total milk consumption in the Nation. This, in turn, can be of considerable benefit to dairy farmers by helping to improve their income levels, a most necessary step toward establishing a stable dairy industry capable of continuing to supply our Nation with an adequate supply of pure and wholesome milk.

We respectfully request that our support for H.R. 9331 be made a part of the record of your committee's hearings on this bill.

ALLEN H. OSTRANDER,
President, Eastern Milk Producers Cooperative,
East Syracuse, N.Y.

ARCADIA PUBLIC SCHOOLS,
Arcadia, Wis., January 11, 1960.

HON. LESTER JOHNSON,
U.S. Congress,
Old House Office Building, Washington, D.C.

DEAR MR. JOHNSON: I just received a release from your office with the information that you have introduced into Congress a bill to supplement the funds for the school milk program. I wish to commend you for taking this action.

The school milk program is one of the most popular services provided by the Federal Government. In addition to this it insures all children in the participating schools receiving an adequate daily intake of this food. Of all Federal expenditures this one must rank with the most valuable. Its greatest asset is to the health of the Nation, not to mention the assistance it renders in the consumption of a dairy commodity.

You have my permission to introduce this letter to the House Agriculture Committee in support of your proposal.

Very truly yours,

W. B. GAUTSCH,
Supervising Principal.

WISCONSIN DELLS UNION HIGH SCHOOL DISTRICT No. 6,
Wisconsin Dells, Wis., January 18, 1960.

WISCONSIN SCHOOL FOOD SERVICE ASSOCIATION

Whereas the special milk program in Wisconsin has demonstrated its value in providing essential nutritional benefits to schoolchildren of the State; and

Whereas such program has provided a substantial and ready market for the abundant milk production of Wisconsin's dairy farms; and

Whereas the Secretary of Agriculture has announced by amendment to regulations the reduction in reimbursement rates for milk served under the terms of the Special Milk Program effective March 1, 1960; and

Whereas such reduction of one-half cent per half pint would tend to work a hardship on school districts and children participating in such program; and

Whereas school budgets and finances for the current year have been established and cannot now be readily amended to provide for the additional funds which this action would require; and

Whereas this action would in itself tend to discourage the expansion of the special milk program in Wisconsin and deny the nutritional benefits of this worthy program to the many needy children of the State: Now, therefore, be it

Resolved, That the executive board of the Wisconsin School Food Service Association do hereby resolve that the association go on record as opposing such action by the Secretary of Agriculture and requesting that the Representatives and Senators in Congress from Wisconsin initiate and support such legislation as would rescind the action taken by the Secretary of Agriculture and reinstate the prevailing rates of reimbursement for special milk, and that copies of this resolution be provided to Representatives and Senators from Wisconsin.

WISCONSIN SCHOOL FOOD SERVICE ASSOCIATION,
R. W. FENSKE, *President.*

BOARD OF EDUCATION,
JOINT DISTRICT No. 1,
Rice Lake, Wis., January 14, 1960.

Hon. LESTER JOHNSON,
*House Office Building,
Washington, D.C.*

DEAR MR. JOHNSON: I was quite concerned on reading your last release in regard to the proposed prorating moneys used for providing milk for children.

Once prices have become accustomed to by parents—it is very difficult to raise them and we have had a good deal of health teaching to bring our daily consumption in our local schools up to 1,600 half pints per day. The board of education already subsidizes the lunch program \$3,000 per year, in addition to all capital outlay and facility supplies. I am sure they and the taxpayers, who are already hard pressed, are not going to be willing to subsidize it another \$160 per month, which is what a loss of one-half cent per half pint would mean. The picture here in Wisconsin schools, where State aids only average out to about 21 percent, is one of local character because of the approximate 79 percent of costs on the average raised locally.

I certainly hope that the prorating does not come because if it did, it would be like Congress urging us to get our feet wet—then when we did, they would push us under.

Good luck to you in doing what you can to prevent cutting the milk funds.

Sincerely,

LOUIS M. KING,
Superintendent of Schools.

PLUM CITY SCHOOL DISTRICT No. 3,
Plum City, Wis., January 15, 1960.

Congressman LESTER JOHNSON,
House of Representatives, Washington, D.C.

DEAR CONGRESSMAN: I have received notice of a suggested change in our milk reimbursement program effective March 1, 1960. I urge you to support legislation that will make it possible for the continuation of ensuing reimbursement rates. Also, that a mandate be issued requiring the amendment to be rescinded.

Please support this fight for existing rates, as it could mean a substantial amount of reimbursement for our schools.

Sincerely yours,

WALLACE LINDHOLM, *Supervising Principal.*

DAIRY INSTITUTE OF CALIFORNIA,
Sacramento, Calif., January 15, 1960.

Hon. LESTER JOHNSON,
*Chairman of the Dairy Subcommittee,
House Office Building, Washington, D.C.*

DEAR SIR: It is the writer's understanding that the House Dairy Subcommittee will hold hearings January 20 on proposed legislation increasing authorized funds for the special milk program.

The Dairy Institute of California, a trade association whose members process and market in excess of 60 percent of the dairy products consumed in California, wishes to go on record in support of legislation as indicated in S. 2751, H.R. 9329, H.R. 9331 (with yourself as author), H.R. 9366, and H.R. 9469.

We subscribe to and support the resolution passed by the California State Board of Agriculture on December 21, 1959, a copy of which is enclosed herein.

In the event future hearings indicate the desirability of personal appearances by representatives of California's dairy industry, will you so advise? In the meantime we are anxious to hear the results of your January 20 hearing.

Respectfully,

R. J. BECKUS, *Manager.*

RESOLUTION PASSED BY STATE BOARD OF AGRICULTURE, DECEMBER 21, 1959

RE NATIONAL SPECIAL MILK PROGRAM

Whereas the Congress of the United States authorized the use of the funds of the Commodity Credit Corporation for the purpose of increasing the consumption of fluid milk by children in nonprofit schools of high school grade and under; and

Whereas, in 1958 Congress authorized a basic annual expenditure of not to exceed \$75 million, and in August of this year Congress increased the 1960 authorization to \$81 million and established \$84 million for 1961; and

Whereas the Director of the Food Distribution Division of the U.S. Department of Agricultural Marketing Service has advised the California State Superintendent of Public Instruction that effective March 1, 1960, the maximum subsidy per half pint would be reduced one-half cent; and

Whereas California schools entered into the program in good faith and have more than doubled milk consumption by schoolchildren since 1954, a reduction in the rate of reimbursement in the face of rising milk prices will force schools to increase charges to pupils, which will result in reduced participation. A decrease in the rates in March and a return to the original rates in July will cause confusion and create administrative difficulties at the State and local level: Now, therefore, be it

Resolved, That the California State Board of Agriculture, meeting at Sacramento, Calif., on December 21, 1959, does hereby recommend that sufficient funds be made available to continue the special milk program through this current school year without change; and be it further

Resolved, That a copy of this resolution be furnished to the Governor of the State of California, the U.S. Secretary of Agriculture, and the California congressional delegation.

THE STATE OF WISCONSIN,
Madison, December 29, 1959.

Representative LESTER R. JOHNSON,
House Office Building, Washington, D.C.

DEAR LESTER: I am writing to urge you to renew your efforts for a more adequate authorization for the Federal special school milk program. Additional funds are needed to prevent a planned cutback in this program.

The U.S. Department of Agriculture has informed State school officials that the Federal allowance for the special school milk program will be reduced by one-half cent per half-pint on March 1 because funds are running low.

Mr. Gordon Gunderson, State director of the school lunch program, advises me that the decrease in Federal support may tend to discourage further expansion of this program.

This demonstrates that you were right a year ago in introducing your bill to provide \$85 million for the milk program during the present school year. The compromise appropriation of \$81 million that was approved by Congress is falling short by approximately \$4 million of keeping pace with the increase in participation by school systems and school children.

Instead of cutting back the special milk program, we ought to expand it aggressively until every school child in America is able to get milk in school.

Even in Wisconsin, only about 60 percent of the school children are now participating in the special milk program. The national participation rate is much lower.

During the 1957-58 school year, 351,000 Wisconsin elementary and high school pupils participated in the milk program in Wisconsin out of a total average daily attendance of 596,000. Of these, 234,000 were receiving milk in addition to that served in connection with the regular school lunch program, and 117,000 were receiving milk alone.

Wisconsin schools are receiving about \$2 million per year currently in Federal support for this program. The Federal contribution, as you know, amounts to 4 cents per half-pint served in addition to the milk included in regular school

lunches, and 3 cents per half-pint for schools that serve milk alone. According to the U.S. Department of Agriculture's present plans, this is to be reduced to 3½ cents and 2½ cents per half-pint respectively on March 1.

Sincerely yours,

GAYLORD A. NELSON, *Governor.*

DAIRY COUNCIL OF LINCOLN,
Lincoln, Nebr., January 15, 1960.

HON. LAWRENCE BROCK,
House of Representatives,
Washington, D.C.

DEAR MR. BROCK: We at the Lincoln Dairy Council would like to urge that you vote for the \$3 million deficit appropriation to complete the school milk program for this school year at the present reimbursement rate.

The 1,500 producers and dealers who support the Lincoln Dairy Council feel that the completion of the program in its present status for this school year is essential. If it is changed it will probably mean the complete discontinuance of the program in many cases, because of increased bookkeeping.

The Dairy Council program is based around teaching good nutrition. Milk consumption in this area is only about half the recommended allowance now. If the school milk program is discontinued for any reason, the consumption will be even lower.

Thank you.

Very truly yours,

MARY E. CAREY,
Executive Director.

TAYLOR, WIS., January 18, 1960.

DEAR REPRESENTATIVE JOHNSON: We wish to commend you on your action to prevent cutting the Federal support to the school milk program. I would certainly like to know the names of the Congressmen who would vote to undermine the health of thousands of children just to cut down a bit on Federal spending.

There are many other ways to cut expenses without tampering with the welfare of America's children.

Much luck and our sincere thanks for your stand on this issue.

Sincerely,

Mr. and Mrs. ROBERT OLSON.

MR. JOHNSON. If there are no further witnesses to come before the committee, we stand adjourned.

(Whereupon, at 1:25 p.m., the subcommittee adjourned.)

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SPECIAL SCHOOL MILK PROGRAM



HEARING

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON

AGRICULTURE AND FORESTRY

UNITED STATES SENATE

EIGHTY-SIXTH CONGRESS

SECOND SESSION

ON

S. 2751, S. 2797, and S. 2848

BILLS TO INCREASE THE AUTHORIZED MAXIMUM EXPENDI-
TURE FOR THE FISCAL YEARS 1960 AND 1961 UNDER THE
SPECIAL MILK PROGRAM FOR CHILDREN

JANUARY 22, 1960

Printed for the use of the Committee on Agriculture and Forestry



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SPECIAL SCHOOL MILK PROGRAM

FRIDAY, JANUARY 22, 1960

U.S. SENATE,
SUBCOMMITTEE ON AGRICULTURAL PRODUCTION,
MARKETING AND STABILIZATION OF PRICES OF
THE COMMITTEE ON AGRICULTURE AND FORESTRY,
Washington, D.C.

The subcommittee met, pursuant to call, at 10 a.m., in room 324, Senate Office Building, Washington, D.C., Senator Olin D. Johnston (chairman of the subcommittee) presiding.

Present: Senators Johnston, Humphrey, Proxmire, Jordan, Aiken, Young (North Dakota), and Mundt.

Senator JOHNSTON. The subcommittee will come to order.

The hearings today are on three bills, S. 2751, S. 2797, and S. 2848, which will be made a part of the record at this point.

We have those three bills before us this morning for consideration, which concern the school milk program.

(S. 2751, S. 2797, and S. 2848 are as follows:)

[S. 2751 and S. 2848, 86th Cong., 2d sess.]

A BILL To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in schools", approved July 1, 1958, as amended (7 U.S.C. 1446 note), is amended to read as follows: "That for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$90,000,000 of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

[S. 2797, 86th Cong., 2d sess.]

A BILL To increase and extend the special milk program

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of Public Law 85-478 (72 Stat. 276), as amended, is further amended to read as follows: "That for the fiscal year beginning July 1, 1958, not to exceed \$78,000,000, and for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, and for each fiscal year thereafter, not to exceed \$90,000,000 of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

Senator JOHNSTON. Senator Proxmire has a statement that he desires to present for the record at the beginning this morning.

Senator PROXMIRE. I have a statement on the special school milk program, and I ask unanimous consent to have it inserted in the record at this point.

Senator JOHNSTON. It will be put into the record at this point.

(The prepared statement of Hon. William Proxmire, a U.S. Senator from the State of Wisconsin, is as follows:)

A fine educational campaign has encouraged school children throughout the country to drink milk each day at school. The school milk program is administered locally, with financial support from the Commodity Credit Corporation. Operating with a minimum of redtape, it has brought the benefits of fresh, whole milk to children at an age when they most need it to promote healthy growth. It strikes me as folly to jeopardize a program of undoubted nutritional value at a time when it is more successful than ever before.

I have received a large number of letters and telegrams from parents and educators throughout Wisconsin urging me to do what I can to maintain the Federal reimbursement rates for the special milk program at the present level.

With these considerations in mind, I have joined Senator Alexander Wiley in sponsoring a bill to increase and extend the special milk program. The bill provides that up to \$90 million of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children in schools and other nonprofit institutions devoted to the care and training of children.

I welcome today's hearings, which I hope will yield a full explanation of the reasons for the proposed reduction in the rates of reimbursement under the school milk program. I also hope the subcommittee will consider favorably the bill designed to increase and extend it.

Senator JOHNSTON. Our first witness this morning is the Honorable Clarence L. Miller, Assistant Secretary of Agriculture.

Will you please come forward, Mr. Miller, together with those who are with you?

You may proceed as you see fit.

STATEMENTS OF HON. CLARENCE L. MILLER, ASSISTANT SECRETARY OF AGRICULTURE; ROY W. LENNARTSON, DEPUTY ADMINISTRATOR; MARTIN D. GARBER, DIRECTOR, FOOD DISTRIBUTION DIVISION; AND HOWARD P. DAVIS, DEPUTY DIRECTOR, FOOD DISTRIBUTION DIVISION, AGRICULTURAL MARKETING SERVICE, U.S. DEPARTMENT OF AGRICULTURE

Mr. MILLER. Mr. Chairman and members of the committee, may I say first that Mr. Lennartson is the Deputy Administrator of the Agricultural Marketing Service, and we have here also Mr. Martin Garber, who is in charge of our Food Distribution Division under the Agricultural Marketing Service, and Mr. Davis, his assistant.

Senator JOHNSTON. We are glad to have all four of you here this morning.

Mr. MILLER. Thank you, sir. I have a prepared statement, Mr. Chairman, that recites the sequence of events in the program thus far that I would like to present. I have also three tables that I would like to insert in the record at the end of the statement, and then I have a little oral statement that I would like to make.

Senator JOHNSTON. You may proceed.

Mr. MILLER. Thank you, sir.

We in the Department of Agriculture appreciate this opportunity to discuss with you the fund situation for the special milk program.

Since this program was first inaugurated as a part of the broadened dairy price support program in 1954, it has been an effective means of increasing milk consumption among children and of expanding dairy markets. Last year nearly 2.2 billion half-pints of milk were consumed under this program equal to a little over 2 percent of annual fluid milk consumption in this country.

According to our best estimates, about 54 percent of the children enrolled in school last year were drinking milk as a result of the school lunch and special milk programs. Also, the camp program sharply increased this past summer as sponsors grew more familiar with its operations and its benefits.

Last year, over 81,000 schools, child-care institutions and summer camps participated in the program. Reimbursement expenditures increased 12 percent—from \$66.3 million in 1958 to \$74.3 million in 1959. When Federal administrative costs are added in, total program expenditures last year were \$74.9 million.

When this program was originally extended for 3 years beyond 1958, the annual authorized use of funds was established at \$75 million. About this time last year, Congress took action to increase the 1959 authorization to \$78 million and, subsequently, the 1960 authorization was raised to \$81 million and the 1961 authorization was placed at \$84 million. As members of this committee are aware, the Department advised against that action. We felt that some financial stability should be introduced into the program, especially in view of the more favorable overall dairy demand-supply position. Also, we felt that because the nutritional basis of the program was being put forward as an important reason for its further expansion, State and localities ought to contribute to its cost.

The \$81 million authorized for 1960 was sufficient to permit an 8-percent increase in reimbursement expenditures and the 1961 authorization would permit another 4 percent expansion. The fact that the annual increase in reimbursement expenditures had been 12 percent in 1959 and 10 percent in the preceding year gave rise to a serious question as to whether the 1960 authorization would provide sufficient funds for a full year's operations unless reimbursement rates were reduced.

A 10-percent expansion in 1960, without rate adjustments, would put estimated expenditures (including administrative costs) at over \$82 million, compared with the \$81 million authorized. Thus, on November 3, 1959, the Department notified State school officials that the 4- and 3-cent reimbursement rates would be reduced by one-half cent beginning March 1, 1960. The reductions were announced well in advance to give the States time to inform schools of the change.

This action put us in a position to—

- (1) Assure all States in advance that funds would be sufficient to cover all obligations;

- (2) Provide an equitable distribution of funds among the States, taking into account the need to provide all schools and children an equal opportunity to participate, which means that actual program expansion will be greater in some States than in others; and

(3) Anticipate and provide for further program expansion in 1961.

We have been watching expenditures very closely since the opening of school in September and we have just completed an analysis of expenditures through November. That analysis indicates that without the reductions announced to go into effect in March, the estimated reimbursement and administrative expenditures for the year would be about \$82 million, compared with the \$81 million now available.

From the standpoint of the original price support purpose of this program, and with the more favorable demand-supply position for dairy products, we feel that the announced rate reductions would introduce some desirable degree of financial stability into the program. The dairy surplus situation is different today than it was when this program was included in the dairy provisions of the Agricultural Act of 1954.

In 1954, when this program was first included as an additional method of price support, holdings of dairy products in Government hands reached an alltime high of 1.5 billion pounds. The situation has changed materially since then. Milk production declined in both 1958 and 1959. Total output during 1959 was 124.3 billion pounds, the smallest total since the 123.1 billion pounds in 1957. On a per capita basis, production in 1959 was the lowest on record. Little change is likely in farm milk production during 1960. Prices received by farmers so far during this marketing year, which started April 1, 1959, have averaged between 5 and 6 percent above the support level. They have been above a year earlier by a slightly lesser amount. Purchases of butter and cheese under the price support program in the calendar year 1959 were equivalent to 2.5 percent of milk production, the lowest volume since 1952, compared with 3.7 percent a year earlier. Total supplies of milk products and commercial use of those products are likely to be more nearly in balance during 1960 than in several years.

In summary, it is clear that we have gone far in working our way out of the very serious surplus situation which led to the inauguration of the special milk program. However, as indicated to the House Agriculture Subcommittee at a hearing on Wednesday, we do recognize that the Department's announced changes in reimbursement rates will present operating difficulties because they are scheduled to go into effect in the middle of the school year. We felt, therefore, that the Congress might want to review the probable course of the program through 1961 and before the rate adjustment went into effect in March.

As I stated, I have three tables that I would like to insert in the record, the first is entitled "Special Milk Program, Federal Expenditures, Fiscal Year 1959," the second is entitled "Special Milk Program, Comparison of Monthly Expenditures Fiscal Year 1959 With Estimates for Fiscal Year 1960" and the third is entitled "Special Milk Program, Average Daily Expenditure of Federal Funds, September–November, Fiscal Year 1960 Compared With the Same Period in Fiscal Year 1959 by States."

Senator JOHNSTON. They may be inserted in the record here.

(The three tables referred to follow:)

SPECIAL MILK PROGRAM

Federal expenditures, fiscal year 1959

State:	Amount	State—Continued	Amount
Alabama.....	\$1, 105, 758	Nebraska.....	\$445, 813
Alaska.....	18, 699	Nevada.....	74, 090
Arizona.....	450, 381	New Hampshire.....	211, 215
Arkansas.....	664, 537	New Jersey.....	1, 959, 694
California.....	7, 224, 585	New Mexico.....	604, 062
Colorado.....	590, 597	New York.....	8, 624, 513
Connecticut.....	835, 412	North Carolina.....	1, 320, 758
Delaware.....	203, 819	North Dakota.....	259, 808
District of Columbia..	371, 335	Ohio.....	4, 543, 129
Florida.....	1, 288, 667	Oklahoma.....	844, 441
Georgia.....	983, 115	Oregon.....	479, 948
Hawaii.....	173, 449	Pennsylvania.....	3, 509, 697
Idaho.....	185, 095	Rhode Island.....	312, 110
Illinois.....	5, 550, 581	South Carolina.....	589, 202
Indiana.....	1, 741, 516	South Dakota.....	382, 509
Iowa.....	1, 603, 160	Tennessee.....	1, 663, 469
Kansas.....	811, 230	Texas.....	2, 373, 403
Kentucky.....	1, 244, 629	Utah.....	188, 467
Louisiana.....	463, 837	Vermont.....	148, 371
Maine.....	318, 026	Virginia.....	1, 473, 631
Maryland.....	1, 505, 250	Washington.....	1, 225, 483
Massachusetts.....	2, 801, 086	West Virginia.....	398, 959
Michigan.....	4, 372, 076	Wisconsin.....	2, 744, 890
Minnesota.....	2, 098, 955	Wyoming.....	142, 134
Mississippi.....	1, 020, 115		
Missouri.....	1, 996, 946	Total.....	74, 284, 590
Montana.....	141, 938		

Comparison of monthly expenditures, fiscal year 1959 with estimates for fiscal year 1960

[In thousands of dollars]

Month	Fiscal year 1959		Fiscal year 1960 with no reduction in maximum rates of reimbursement		Fiscal year 1960 with 14-cent reduction in maximum rates of reimbursement effective Mar. 1	
	Monthly expenditures	Average daily expenditures	Monthly expenditures	Average daily expenditures	Monthly expenditures	Average daily expenditures
July.....	469		657		657	
August.....	478		600		600	
September.....	7, 724	413	7, 729	444	7, 729	444
October.....	9, 626	445	10, 029	490	10, 029	490
November.....	7, 389	440	8, 601	485	8, 601	485
December.....	6, 508	425	7, 192	464	7, 192	464
January.....	8, 099	420	8, 951	459	8, 951	459
February.....	7, 910	416	8, 782	455	8, 782	455
March.....	7, 761	406	8, 550	443	7, 156	371
April.....	8, 411	401	9, 329	438	7, 795	366
May.....	7, 689	403	8, 492	440	7, 158	371
June.....	2, 221	220	2, 448	240	2, 230	219
Total.....	74, 285	413	81, 360	452	76, 880	427
Total including administrative.....	74, 897		82, 018		77, 538	

Average daily expenditure of Federal funds, September–November, fiscal year 1960 compared with the same period in fiscal year 1959, by States

[In dollars]

State	Fiscal year 1959	Fiscal year 1960	Percent in- crease 1960 over 1959
Alabama.....	7,054	7,996	13.4
Alaska.....	107	158	47.7
Arizona.....	2,747	3,218	17.1
Arkansas.....	4,154	4,193	.9
California.....	41,955	45,932	9.5
Colorado.....	3,472	3,883	11.8
Connecticut.....	4,771	5,455	14.3
Delaware.....	1,137	1,377	21.1
District of Columbia.....	2,064	2,276	10.3
Florida.....	7,845	8,146	3.8
Georgia.....	6,129	6,763	10.3
Hawaii.....	1,062	1,148	8.1
Idaho.....	1,071	1,130	5.5
Illinois ¹	31,514	33,562	6.5
Indiana.....	10,266	11,457	11.6
Iowa.....	9,219	9,909	7.5
Kansas.....	4,882	5,362	9.8
Kentucky.....	7,498	7,708	2.8
Louisiana.....	2,949	3,361	14.0
Maine.....	1,845	2,054	11.3
Maryland.....	8,508	9,145	7.5
Massachusetts.....	16,246	17,137	5.5
Michigan.....	24,935	29,197	17.1
Minnesota.....	12,926	13,778	6.6
Mississippi.....	6,175	7,143	15.7
Missouri.....	12,284	13,543	10.2
Montana.....	837	892	6.6
Nebraska.....	2,595	2,895	11.6
Nevada.....	426	484	13.6
New Hampshire.....	1,237	1,425	15.2
New Jersey.....	10,582	12,947	22.3
New Mexico.....	3,589	3,912	9.0
New York.....	47,725	51,688	8.3
North Carolina.....	8,060	8,645	7.3
North Dakota.....	1,500	1,695	13.0
Ohio.....	27,051	30,687	13.4
Oklahoma.....	5,188	5,476	5.6
Oregon.....	2,894	3,106	7.3
Pennsylvania.....	19,874	22,357	12.5
Rhode Island.....	1,841	2,100	14.1
South Carolina.....	3,596	3,689	2.6
South Dakota.....	2,304	2,588	12.3
Tennessee.....	9,719	9,739	.2
Texas.....	14,616	15,065	3.1
Utah.....	1,140	1,442	26.5
Vermont.....	865	856	-1.0
Virginia.....	8,837	9,318	5.4
Washington.....	7,123	7,639	7.2
West Virginia.....	2,459	2,666	8.4
Wisconsin.....	15,923	17,066	7.2
Wyoming.....	886	861	-2.8
Total.....	433,682	474,269	9.4

¹ Partially estimated.

Mr. MILLER. Mr. Chairman, in the report of the committee last April on S. 1289, increasing the special milk program fund authorization for 1960–61, the committee recommended and requested that the Secretary of Agriculture furnish it with a report at least 3 months before the end of the fiscal year setting forth the fund requirements for succeeding operations under the program. In view of the fact that this testimony today covers most of the information sought by this committee we request that the committee, also, accept this testimony in lieu of the report for this year, if you care to do so. We feel that we have covered the subject in this testimony.

Senator JOHNSTON. Is there any objection to that being done? I, personally, do not see any objection.

Senator AIKEN. The full committee would have to accept it.

Senator JOHNSTON. That is correct, the full committee would have to act on that. You can submit that and we will transfer it to the full committee, and they can act on it at their first committee meeting.

Mr. MILLER. Very well.

Senator JOHNSTON. Is there anything else?

Mr. MILLER. Mr. Chairman, with respect to our views on the three bills that you mentioned a moment ago, may I say this—

Senator JORDAN. May I submit a question?

Senator JOHNSTON. Yes.

Senator JORDAN. Where do these schools buy their milk from, the local dairies?

Mr. MILLER. Yes.

Senator JORDAN. And then the Government reimburses the schools for a certain proportion of the cost?

Mr. MILLER. That is correct, sir. We reimburse on the 4-cent rate for schools using the second half pint of milk.

Senator JORDAN. What do you mean by the second half pint of milk?

Mr. MILLER. Schools use the first half pint of milk under the school lunch program.

Senator JORDAN. What do you mean by use the first half pint of milk then?

Mr. MILLER. They use a half pint, under the school lunch program.

Senator JORDAN. Who pays for that?

Mr. MILLER. That is paid for, Senator Jordan, out of the \$110 million that the Federal Government allocates to the schools under the school lunch program.

Senator AIKEN. That is under the Commodity Credit Corporation part?

Mr. MILLER. No; the \$110 million school lunch appropriation. And the balance is the contribution of the children of the local municipalities, the school districts.

Senator JORDAN. They put it up?

Mr. MILLER. Yes.

Senator JORDAN. The school will provide the first half pint of milk?

Mr. MILLER. Yes, sir.

Senator JORDAN. Without any Government aid?

Mr. MILLER. They use part of the \$110 million, but they put it into the pool, we will call it, the funds which are their own, and that which the children pay in.

Senator JORDAN. Then if they buy a second half pint of milk, what about that?

Mr. MILLER. That is where the special milk program comes in.

Senator JORDAN. And that is this program?

Mr. MILLER. Yes. If the child will use the second or additional half pints of milk we reimburse at the rate of 4 cents for that second half pint. In schools that do not participate in the national school lunch program we reimburse them at the rate of 3 cents for the first half pint of milk which they used.

Senator JORDAN. And nothing for the second half pint?

Mr. LENNARTSON. Yes; any milk.

Mr. MILLER. Any milk that is furnished.

Senator PROXMIRE. I want to make sure that I understand this. There are two half pints of milk, one with the school lunch program and one with the special school milk program; is that correct?

Mr. MILLER. Yes, sir; one with the school lunch program and any additional milk with the special milk program.

Senator PROXMIRE. There is a difference in the rate of reimbursement by the Federal Government as between the school lunch program and the school milk program?

Mr. MILLER. The school lunch program includes a complete lunch, Senator Proxmire, they are required to furnish the one-half pint of milk under that program. They receive, as I explained to Senator Jordan, compensation for part of the cost of the complete lunch from the Federal Government from the \$110 million appropriation.

Senator PROXMIRE. The reimbursement figures here relate to the special milk fund?

Mr. MILLER. To the special. And the special only relates to the second or additional one-half pints of milk furnished by those schools.

Senator PROXMIRE. I do not want to extend the questioning if the chairman prefers not to have it done at this time. Do you want questions now?

Senator JOHNSTON. Go ahead. I think that it should be done.

Senator PROXMIRE. About 54 percent of those enrolled are drinking milk as the result of the school milk programs and the school lunch programs. Do you have a breakdown as to what percentage are drinking the special milk?

Mr. LENNARTSON. I think it is about one-third of the children who are drinking milk under the school lunch program.

Mr. DAVIS. We estimate around 12 million children in the school lunch program. The school lunch program consumes around 2 billion half pints of milk, that is what it did last year, while an additional 2.2 billion one-half pints of milk were reimbursed for under this program.

Senator HUMPHREY. The special program?

Senator PROXMIRE. An additional?

Mr. DAVIS. An additional 2.2.

Senator PROXMIRE. It is about half and half?

Mr. DAVIS. Yes, sir. It is very difficult to count the number of children, because some of them drink milk 1 day and some drink more than one-half pint a day. So it is an estimate.

Senator JORDAN. This leaves out the free lunch business—this has nothing to do with the children who cannot pay—I am not talking about that part of it. But where the schools run the school lunch program, the child does pay something for it?

Mr. LENNARTSON. Yes, sir.

Mr. MILLER. The lunch is 25 cents and the contribution amounts to what, would you say, about 3½ to 4 to 5 cents?

Mr. LENNARTSON. Under the national average.

Senator PROXMIRE. That is under the Federal school milk program?

Mr. LENNARTSON. That is in addition to that.

Senator PROXMIRE. The child pays a penny?

Mr. LENNARTSON. This varies widely, all the way from free, here in the District, to 3 or 4 cents.

Mr. GARBER. It averages about 3½ cents.

Senator PROXMIRE. And the child pays how much?

Mr. MILLER. He makes up the difference between the 4-cent rate and whatever the school officials have to pay for the milk that they buy. That is generally bought under contract on a bid basis—they buy it at the best price that they can, and it is 4 cents reimbursement in the case of the national school lunch program schools and the child pays the difference between that rate and whatever the school board or the local people pay.

Senator JORDAN. Does not a half pint sell for a nickel in the schools?

Mr. MILLER. It may sell for more or less than that.

Mr. DAVIS. It is a varying amount, depending upon the arrangement that the individual school district makes. In some cases, as Mr. Lennartson pointed out, the milk is furnished free to the child. That is done here in the District of Columbia through government contributions. In other places they charge 5 cents, and in some places they use vending machines—it varies by school districts.

Senator JORDAN. What does the milk cost a pint; that is, one-half pint of milk, what does it cost?

Mr. DAVIS. On the average a little over 6 cents—that is on a national average.

Senator JORDAN. A little over 6 cents?

Mr. DAVIS. Yes.

Senator JORDAN. And the Government reimburses them 4 cents, and the child is actually paying 1 or 2 cents?

Mr. LENNARTSON. It is 3 cents. There is some allowance in there for handling facilities, administrative costs, et cetera.

Senator JORDAN. That is what I was trying to get at.

You were trying to say that on the average for the extra half pint of milk that they pay just about one-half?

Mr. LENNARTSON. About one-half.

Senator PROXMIRE. The position of the Department is that the purpose of the program is to help the dairy farmer.

Mr. MILLER. That is correct.

Senator PROXMIRE. And an incidental effect is benefiting the children?

Mr. MILLER. Yes.

Senator PROXMIRE. And it is also benefiting the State and local taxpayers, and so forth, which is incidental and is not of prime interest to the Department of Agriculture?

Mr. MILLER. The Department of Agriculture is interested in the price support program for the dairy farmers—that is their view of it, and in expanding the market outlet through the school lunch program and getting children in the habit of consuming milk and to be cash customers and to buy it.

Senator PROXMIRE. Then is the Department saying, that in view of the supply and demand situation for dairy products today, and the absence of a dairy surplus that the Department of Agriculture feels the increased cost in some of these bills cannot be justified?

Mr. MILLER. We are saying now.

Senator JOHNSTON. I think that you have a twofold reason for going into this. One is because we want healthy children and we want them to drink more milk.

The other reason is that when we went into it we wanted to get rid of the surplus milk at that time. By going into this we would get them in the habit of drinking the milk and have less surplus milk.

It was a twofold objective that we had.

SENATOR YOUNG of North Dakota. Will you yield there for a question?

SENATOR JOHNSTON. Yes.

SENATOR YOUNG of North Dakota. In the budget, though, it does appear as a subsidy to the farmers; does it not?

MR. LENNARTSON. It is a Commodity Credit Corporation item.

MR. MILLER. The legislation last year, I believe, required that this not be an item chargeable to agriculture.

SENATOR HUMPHREY. That is right. I think that is the way it ought to be.

SENATOR JORDAN. That is right.

MR. MILLER. A good many people have the concept in their mind that it is chargeable to the farm program as such.

SENATOR PROXMIER. That is the reason why it seems to me that this committee and the Congress might well consider whether or not it would be desirable from the standpoint of the health of our children, and also from the standpoint of helping our very, very hard-pressed school districts and local taxpayers, for the Congress to help a little bit, as we are doing here, to provide, some of these bills provide for help so that we can have more children drinking milk, so that the Federal Government can bear a larger share of the cost.

SENATOR AIKEN. We ought to make it clear that we do not consider the health of the children as a fringe benefit.

SENATOR HUMPHREY. That is correct.

SENATOR AIKEN. It is a primary benefit.

As I understand it, the Federal contribution to the school lunch program, the overall program, is 25 percent now—I have forgotten what that amounts to.

MR. LENNARTSON. It is \$110 million.

SENATOR AIKEN. But the overall cost is around \$500 million.

MR. MILLER. The cost of the lunch is approximately 25 cents to the child, Mr. Davis told the House the other day. And the Federal Government's share is about 4.5 to 5.

SENATOR HUMPHREY. That is about right.

SENATOR AIKEN. It comes out about like that. The bill passed in the late forties provided, first, that the Federal Government pay one-half; then after a long period, the community would pay 2 to 1, and eventually 3 to 1. I think that still holds.

SENATOR JORDAN. I might ask a question of Mr. Miller to clear up something that you said there, Senator.

The number of children participating is not held down by the contribution, is it, whether they want to drink milk or not drink milk?

SENATOR HUMPHREY. When you run out of funds—

SENATOR JORDAN. They have not run out of funds.

SENATOR HUMPHREY. That would be a factor, I mean.

MR. MILLER. That is the reason why we included that statement that we thought that the Congress would like to look at the present situation.

SENATOR JORDAN. That question has been raised every time.

Senator PROXMIRE. You changed the reimbursement rate, and if you do, do you not discourage the drinking of milk?

Mr. MILLER. In order to use the funds allocated to us this year, we thought it was necessary to change the rates, beginning March 1. But we also feel that the Congress should take another look at it.

Senator JOHNSON. Because of my having to attend another committee hearing, it is necessary for me to leave, and I will turn the meeting over to Senator Humphrey.

Senator HUMPHREY (presiding). Go right ahead.

Senator PROXMIRE. You were answering my question about diminution in reimbursement, which I thought discouraged additional consumption of milk when it was decreased.

Mr. MILLER. In order to be within the funds available, we thought that we would of necessity have to reduce the rate of reimbursement from 4 to 3.5 to 3 and 2.5 for those schools not participating in the national school lunch program, but we thought that the Congress would want to look at the situation now. If after considering it you wanted to increase the rates, so that the 4-cent and the 3-cent contribution could prevail for the balance of the year, we could easily do so.

Senator HUMPHREY. That is the purpose of the bills that are here.

Mr. MILLER. Yes.

Senator HUMPHREY. To compensate and take care of the additional school population, so that the reimbursement would be held up anticipating greater participation.

Mr. MILLER. That is correct.

Senator PROXMIRE. Senator Jordan raised the point whether this has had anything to do with limiting the number of children coming into it, if we cut back in the middle of the program and reduce the Federal contribution—that it might or could have a very bad effect on the school districts.

Mr. MILLER. It might do so—it might do so. If the school were to maintain the level of consumption, it would have to contribute more and the child would have to contribute more, because our contribution would be less, but our position, Senator Proxmire, is this: We feel that this is the time to review this program. We feel that as at present under the price support operation it has seen less butter and cheese and the like coming into it. We feel like the situation has improved. There is still room for improvement in the dairy situation.

Inasmuch as that is true, and the Congress has seen fit to renew this program, to carry it on, we feel that the rate should be maintained.

The Department would agree that the rate should be and that it would be advisable to extend the program by additional fund authorization to provide for a 4-cent and 3-cent rate for the balance of this year.

We also feel that the figure of \$90 million that these bills carry—and I believe that these bills are the same as the House bills—might be a reasonable amount to approach the year 1960–61 school year with.

Senator JORDAN. Instead of the \$88 million?

Mr. MILLER. Instead of the \$84 million.

Senator JORDAN. Yes; excuse me. The \$84 million.

Senator HUMPHREY. It is \$84 million; yes.

Mr. MILLER. We are not in the position now of being able to say that the \$90 million would be a sufficient amount, more or less, than we need, but we will be faced with this situation, I dare say, at this time next year, and we can take another view of it then.

Senator AIKEN. Inasmuch as this is an authorization bill, it might be a good idea to make that amount adequate or what we know will be adequate, so that we do not have to come back for authority in another year. We might have to come back for supplemental appropriations, but that is all.

Senator PROXMIRE. Mr. Miller says that the Department is recommending that.

Mr. MILLER. We have no objection to it being extended.

Senator PROXMIRE. No objection to increasing it to \$90 million?

Mr. MILLER. We think it advisable to continue it at the 4-cent and 3-cent rate.

Again, we are saying that we consider this to be a price support mechanism and as such we are justifying our position on that ground.

Senator JORDAN. Is there any powdered milk being given to the schools?

Mr. MILLER. Yes, sir.

Senator JORDAN. That is in addition?

Mr. MILLER. All that they can reasonably use.

Senator JORDAN. And that depends upon the circumstances?

Mr. MILLER. Yes.

Senator JORDAN. I wanted to get that clear.

Senator HUMPHREY. Senator Aiken said just a moment ago something that has a good deal of merit. This is authorization legislation, and while some of these bills increase the authorization from \$85 million to \$90 million, it might be better to put it up to \$95 million on the authorized basis, so that you will not have to come back for a supplemental authorization. I want to get your thinking on that. It is not necessarily a controversial point.

Mr. MILLER. We do not know what the increase will be precisely, Mr. Chairman. We will be in the same position next year that we are now. We think it is very good, very wise to reevaluate our position every year with respect to this situation.

We will be glad to report to you again next year. We in the Department would like to have the opportunity of reviewing and reevaluating the program.

Senator AIKEN. You would have to evaluate it for appropriation purposes. I was thinking of getting rid of another bill in another year, if it is necessary, and if it is not necessary, you do not have to do it.

Mr. MILLER. The way it was handled last year and the year before, we have been able to maintain the 4-cent and 3-cent rate.

Senator AIKEN. Even though this started as an economic measure, just as the school lunch program started as an economic measure, back in the early thirties, it has reached a point where it has become a health measure, a social measure, and I would be surprised if there was a vote against whatever we decide in the Senate; not more than two votes against it in the House, if there is that.

Mr. MILLER. We would like to look at it from the price support standpoint.

Senator YOUNG of North Dakota. What percentage of the cost of the handling of the price support program for dairy commodities is represented by this milk program—about how much of the cost?

What I am trying to get at is, I believe that this is one of the better ways of getting rid of surpluses, and an increase in authorization might be a wise thing to do.

Senator AIKEN. The losses on the support of the dairy products would not amount to as much as this school milk program, would it, \$85 million?

Mr. LENNARTSON. I do not have those figures here. We will be very happy to submit them, if you desire those.

Mr. MILLER. I would think that the loss on the price support program for milk would be greater than the special school lunch program.

Senator AIKEN. The amount of butter and cheese purchases has been reduced.

Mr. LENNARTSON. Yes; very definitely.

Mr. MILLER. The last figure I had on it was \$230 million loss on that. And that was about 3 years ago.

Senator YOUNG of North Dakota. What was the figure?

Mr. MILLER. About \$230 million, about 3 years ago.

Senator YOUNG of North Dakota. And it is much less now?

Mr. MILLER. It has improved.

Mr. LENNARTSON. Yes.

Mr. MILLER. We would like to reevaluate this.

Senator YOUNG of North Dakota. This is a much better program. If it needs a higher authorization, I would be for it.

Mr. MILLER. We would like to reevaluate it from the standpoint of the price support program.

Senator HUMPHREY. For the year 1960 the \$85 million will be sufficient?

Mr. LENNARTSON. This will give us the elbowroom to maintain the present reimbursement rate.

Senator HUMPHREY. Then the question would be in connection with Senator Aiken's reference to a broader authorization for 1961?

Mr. LENNARTSON. Yes; it is difficult to estimate that at this time, however.

Senator MUNDT. You say that the \$90 million figure provided in these bills is very satisfactory, that it will do the job for the next year, by which time we could go back into it and take another look at it, and we might want to increase it at that time; is that correct?

Mr. MILLER. We will take a look at it next year, and evaluate the conditions in the light of the conditions then existing at that time under the price support program.

Senator AIKEN. The Secretary is required to support the price of milk at a level which will provide an adequate supply for the country. If this use increases, and we do not have enough supply, there is no sense in increasing price supports for the products of the dairy industry.

Senator HUMPHREY. I have a feeling that the emphasis on this particular program should not be on the price support side, but should be on the health and the welfare side and on the side of market development. There is no doubt that this is market development in

that it teaches young people to drink milk. If they do not drink milk, they will drink water or "coke" or something else. It seems to me that in our report we ought to emphasize the nutritional benefit of this, plus the aid to local and State and private schools.

Senator AIKEN. Let me correct a wrong impression that has been given here—and I guess that I gave it—that is, the impression that they would have to go to the Appropriations Committee to get the funds for the school milk program. They would not have to do that. They would have to go to the Appropriation Committee to get reimbursement.

Mr. LENNARTSON. For the Commodity Credit Corporation—you are right.

Mr. MILLER. The Commodity Credit Corporation is paying for it.

Senator AIKEN. The operation would not affect the authorizations to be extended up to whatever amount that is put in the bill, and then they would have to get the reimbursement, if they could, and I guess that they could.

Mr. MILLER. Mr. Chairman, the Department is interested in child welfare and health. However, our primary responsibility in this field is in the field of price supports and the support of the dairy industry in this particular instance. That is why I approached it in that light, rather than in some other light.

Senator HUMPHREY. You will have to change your approach a little bit.

Mr. MILLER. I could not make any statement as to that.

Senator MUNDT. You have an interest in the other aspects, such as the expansion of markets, the developing of the milk drinking habits in children. It does come within the purview of the Department of Agriculture; is that not right? I do not want you to say "No" to that. I do not think that you would want to say that the Department of Agriculture was not interested in expanding the markets for the farmers.

Mr. MILLER. Yes, we are interested in expanding markets for our farmers. We cannot use the Commodity Credit Corporation funds solely in an attempt to expand markets without other considerations.

Senator MUNDT. However, they are public funds.

Mr. MILLER. That is correct.

Senator MUNDT. You were thinking ahead. I thought that you were saying that you concurred.

Mr. MILLER. That is correct.

Senator PROXMIRE. Could I ask one more question to clarify a statement in Mr. Miller's presentation?

Senator HUMPHREY. Yes.

Senator PROXMIRE. On page 2, in the third paragraph you say:

Thus on November 3, 1959, the Department notified State school officials that the 4- and 3-cent reimbursement rate would be reduced by one-half cent beginning March 1, 1960.

From what you say here, if this committee and the Congress acts, that would not be put into effect?

Mr. MILLER. If the \$85 million, is authorized, the reduction will not be put into effect. We will maintain the 4- and 3-cent rate.

Senator AIKEN. I would like to move that we report the bills favorably, and leave it to the full committee to decide whether they wish

to adopt the permanent features or to continue it on a 2-year basis, but so far as this subcommittee is concerned that we report it favorably.

Senator MUNDT. I second the motion.

Senator HUMPHREY. You have three bills. You do not mean to report them all—you can report any one of the bills, and then we can amend it in full committee in whatever way you wish. I suggest that we report the bill in behalf of the whole subcommittee, adding the names of all sponsors.

Senator JORDAN. I think that is better.

Senator HUMPHREY. Then if we wish to make it permanent in the full committee we can do that.

Senator MUNDT. And add all of the names to S. 2751?

Senator HUMPHREY. Yes, add the names of the other Senators.

Senator AIKEN. The National Milk Producers Federation; I understand, recommends making the program permanent. So far as I am concerned, let us leave that to the full committee.

Senator HUMPHREY. It might not be a bad idea for us to give full consideration to that.

Senator AIKEN. If there is any pride of authorship in the several bills, we can report it as a committee bill.

Mr. MILLER. I am sorry that the statement I have just read did not include a sentence that I should like to add. I do not want the Department's position to be ambiguous with respect to the permanency of the program. We have not endorsed the permanent type of program. We are asking for 2 years' authorization only.

Senator HUMPHREY. You think that you want to review it; is that it?

Mr. MILLER. Yes, sir.

Senator HUMPHREY. You want to review it each year, is that your reason?

Mr. MILLER. Yes, sir.

Senator HUMPHREY. We have other witnesses.

I have here a message indicating that Senator Wiley desires to file a statement. That permission will be granted, unless there is objection.

I have a statement here from Senator Carroll, which will be made a part of the record at this point.

(The statements referred to follow:)

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
January 29, 1960.

HON. OLIN D. JOHNSTON,
Chairman, Subcommittee No. 3,
Senate Committee on Agriculture and Forestry,
Washington, D.C.

DEAR MR. CHAIRMAN: I am writing to respectfully urge expeditious action on legislation to provide supplemental funds for the special milk program.

As you know, I have sponsored a bill, S. 2797, to provide (1) increased funds from \$81 million to \$85 million for fiscal year 1960; (2) provide \$90 million for fiscal year 1961; (3) establish the program on a permanent basis.

As you well appreciate, the special milk program has received wide support throughout the country (1) as a constructive outlet for surplus milk, and (2) as a means to improve the health of the children of the United States.

Unfortunately, funds for the current year are running low. The U.S. Department of Agriculture has issued an announcement of change in regulations which would reduce the Federal participation in the special milk program as of March 1, 1960. If allowed to happen, this could well result in a serious curtailment of this splendid program.

As I understand it, the Department may not spend more than the allowable \$81 million during fiscal year 1960. However, the administration of the program requires "elbowroom" in allocation of funds to operate this cost-sharing program.

I would respectfully urge, therefore, early and favorable action on the recommendation for increasing the funds from \$81 million to \$85 million for fiscal year 1960, and to provide at least \$90 million for a moderate expansion of the program in fiscal year 1961.

The question of establishing the program on a permanent basis, too, I hope would be seriously considered. We realize there may arise situations in which requirement for appropriations would fluctuate, particularly in the light of the progress of the program. However, if it were possible to assure schools, child care, and other nonprofit institutions that the program would be continued on a long-term basis, it would be a tremendous help in the programming for the future.

Appreciating your consideration of this matter and looking forward to early and favorable action on the proposal for additional funds for the program, I am

Yours sincerely,

ALEXANDER WILEY.

STATEMENT FILED BY THE HONORABLE JOHN A. CARROLL, A UNITED STATES
SENATOR FROM THE STATE OF COLORADO

The health and strength of our children are national assets that must be nurtured for both patriotic and humane reasons. Here the Congress has an opportunity to show its earnest intentions at relatively small cost compared with the enormous benefits.

Our special school milk program, providing supplementary milk at low prices during recess and at other intervals during the schoolday, is in trouble. It has been used so extensively by schools across the Nation—including about 800 in my own State of Colorado—that present appropriations are falling short of the rapidly rising demand.

The Department of Agriculture says it will be forced to reduce Federal participation on March 1, 1960, by one-half cent for every half pint of milk unless more appropriation is made. The Department says the rate of participation in the program has increased by 10 or 12 percent in each of the last 2 years, while current appropriations permit a growth this year of only 8 percent.

A worthy program thus faces severe curtailment of its future desirable growth. Some school districts, confronted by a Federal cutback, might try to make up the difference by digging deeply into local tax funds; probably more districts would pass on the added cost to children and parents. This would defeat the idea of the program. The children who need this milk the most come from families that cannot afford to furnish enough milk at home.

I strongly support the bills that would raise the available sums from \$81 million to \$85 million this fiscal year and from \$84 million to \$90 million in fiscal 1961. This can help secure the Nation's future while helping our dairy industry market its valuable product.

Senator HUMPHREY. I also have a letter from Mr. Brinkley, addressed to Senator Johnston, of the National Council of Farmer Cooperatives, which will be made a part of the record at this point, unless there is objection.

(The letter dated January 20, 1960, follows:)

NATIONAL COUNCIL OF FARMER COOPERATIVES,
Washington, D.C., January 20, 1960.

HON. OLIN D. JOHNSTON,
Chairman, Subcommittee, Farm Programs,
Committee on Agriculture,
U.S. Senate, Washington, D.C.

DEAR SENATOR JOHNSTON: In connection with the hearings before your subcommittee on S. 2571 and S. 2797, to increase authorized expenditures under the special milk program for children, we favor an increase in the authorization for

the fiscal year ending June 30, 1960, to \$85 million, and for the 1961 fiscal year an increase to \$90 million in order to take care of the present steady expansion of this service to more eligible children.

Sincerely yours,

HOMER L. BRINKLEY, *Executive Vice President.*

Senator HUMPHREY. I understand that the Governor of Wisconsin has submitted a telegram to the committee, which will be made a part of the record at this point.

(The telegram follows:)

MADISON, WIS., *January 21, 1960.*

Senator OLIN JOHNSTON,
Chairman, Senate Committee on Agriculture and Forestry,
Washington, D.C.:

Urge speedy favorable action on pending bills to authorize an increase in the amount of funds for use in the special school milk program. I regret that it is impossible to reach Washington in time Friday to appear before your subcommittee in person. Please make my telegram a part of your hearing record.

Officials in charge of the special milk program in Wisconsin advise me that increase from \$81 million in fiscal year 1960 to \$85 million, and from \$84 million in fiscal year 1961 to \$90 million is required to forestall reduction of one-half cent per quart in the amount of Federal support which the administration is presently planning effective March 1. This increase required to expand milk program into schools and other institutions not now participating.

Instead of cutting back the special milk program, we ought to expand it aggressively until every schoolchild in America is able to get milk in school.

Even in Wisconsin, only about 60 percent of the schoolchildren are now participating, and the national rate is below one-half. It appears probable that many of the very children whose need is greatest do not yet have an opportunity to participate. Some school administrations with limited resources have been unable to participate in the special milk and the school lunch programs because of shortage of personnel to handle essential administrative duties, or lack of facilities for handling milk and serving meals. This is an aspect of these programs which your subcommittee might well explore at greater length.

GAYLORD A. NELSON, *Governor.*

Senator HUMPHREY. Our next witness is Patrick B. Healy of the National Milk Producers Federation.

STATEMENT OF PATRICK B. HEALY, ASSISTANT SECRETARY, NATIONAL MILK PRODUCERS FEDERATION

Mr. HEALY. Senator Humphrey and members of the committee, I do not want to read my statement, but I would like to make an appeal to this committee to put the schools on notice that it is the desire of this Congress that the program be made permanent. And I should like to have my statement incorporated into the record. I think that the permanent feature is in one of the bills before you.

Senator HUMPHREY. It is in Senator Wiley's bill.

Mr. HEALY. And Senator Proxmire's. And I think that it is highly appropriate for the Congress to tell the school systems that this is a continuing thing, to go ahead, and to get into it, and you will not be out of it 2 years from now.

Senator HUMPHREY. I think you are very right.

Mr. HEALY. In that respect I differ from Mr. Miller here.

Senator HUMPHREY. Thank you very much. You heard the recommendation of the subcommittee. We will report out a bill, but with the suggestion that it be made permanent, which will be referred to the full committee.

Mr. HEALY. Thank you, sir.

(The prepared statement of Mr. Healy is as follows:)

Mr. Chairman and members of the committee, my name is Patrick B. Healy. I am the assistant secretary of the National Milk Producers Federation with offices located at 1731 I Street NW.

The federation policies are those of the Nation's dairy producers speaking through their dairy cooperatives.

The special milk program, about which the committee is concerning itself, was fostered by the federation. It has been vigorously supported by our membership since its beginning in 1954. Our current resolution on the program states:

"The federation commends the action taken by the Congress in expanding the special milk program and providing that funds expended under the program shall not be considered as amounts expended for the purpose of carrying out the dairy price support program. Congress is urged to make the program permanent thereby assuring the continuation of its contributions toward improving the nutritional level of children and increasing the consumption of milk."

We thank you for giving us the privilege of appearing before you to discuss the current financing problems facing the special milk program for children.

The proposals for increased authorization under the program, which we are here today to support, are not made on the basis of conjecture. In March 1959, we proposed that \$85 million be authorized for the 1960 fiscal year and that \$90 million be made available for the following fiscal year. These proposals were based upon an extensive study of the rate of development of the program and have been borne out by actual fiscal requirements necessary to continue the program at its current rate.

The U.S. Department of Agriculture announced, through the Federal Register on November 11, 1959, its intention to reduce, by one-half cent per half pint of milk, the level of reimbursement for milk consumed under this program. This reduction is scheduled to go into effect March 1, 1960.

We believe curtailment of this program at this time would be pennywise and pound foolish for the following reasons. First, it would reduce participation in the program and thereby deny children its benefits. Second, it would slow up the momentum generated thus far through this program in broadening the base of consumption for milk. Third, because of the decreased participation, it would require the Commodity Credit Corporation to purchase more dairy products as surplus.

The federation membership has long supported the efforts of Congress to expand the consumption of milk and dairy products. This support is a matter of policy in the federation and a matter of record before committees of the Congress. The membership of the federation is very much aware of the effect Government-owned dairy stocks have on prices for milk and dairy products in the marketplace. It knows that so long as the Commodity Credit Corporation has an inventory of dairy products, no matter how small, this inventory will have the effect of making the price support level both a floor and a ceiling on the price received by dairy farmers for the milk they produce.

The special milk program for children, as well as several surplus diversion programs, are a part of the complex of legislation which has emanated from the Congress and which, in its total, represents the farm program for milk and dairy products. Although the Commodity Credit Corporation currently has no butter in its warehouse, there is a true surplus of milk in the amount of approximately 2½ percent of total production. However, because of the special milk program for children, and other programs, a large part of this surplus never accumulates in the marketplace as a surplus and is, therefore, not an apparent surplus.

It is the apparent surplus which affects market prices. If the 2½ percent were on the market as surplus butter, farm prices would be even lower than they are today. Therefore, programs of this sort serve a twofold purpose. First, they divert milk to its most commendable use—the feeding of children and, second, they prevent the accumulation of a surplus which drastically affects market prices.

The progress made by this program since its beginning is best shown by the attached table. We respectfully refer you to the fact that the service of milk increased from 449.8 million half pints in the 1955 fiscal year to over 2.1 billion in the 1959 fiscal year. This is an increase of 367 percent.

The objectives set for the program are being realized. More milk is being consumed in schools and in child-care centers and summer camps. This means

that more children are getting more milk in school than ever before. It means that costs for purchasing and storing dairy products under the price support program are lower. It means that more children are developing the habit of including milk in their diet, and are thereby improving the nutritional level of their diets. It means that CCC purchases of dairy products will be less, thereby decreasing the depressing effect Government stocks have on producer prices.

Bills S. 2751, S. 2797 and S. 2848 provide the needed additional authorizations for this year and next year. However, S. 2797 provides an additional assurance that the program will be continuing. For this reason we prefer S. 2797. This bill would increase the funds available to the program from \$81 million for the current fiscal year to \$85 million and from \$84 million to \$90 million thereafter. These recommended authorizations will, in our opinion, assure the continued progress of the program.

In conclusion, let me point out that the full benefit of the recommended increase for the current fiscal year will only be realized if it is approved in time to assure school officials that the funds will be available for operations this year. The administrative work necessary to get information to all interested parties takes time. With a March 1 deadline, this administrative consideration is even more important if a slowdown is to be avoided.

Thank you.

Unit participation, milk consumption and funds expended in special milk program for children

Fiscal year	Number of outlets participating	Milk consumption	Expenditures	Increase in expenditures over last year (percent)
1955.....	41,094	449,800	17,100,000	-----
1956.....	62,266	1,394,200	45,900,000	168.4
1957.....	71,239	1,752,700	60,500,000	31.8
1958.....	76,478	1,918,200	66,300,000	9.6
1959.....	81,587	2,176,200	74,200,000	11.92

Source: U.S. Department of Agriculture.

Senator HUMPHREY. That is what your view was, that we report out the bill, with the suggestion that it be made permanent.

Senator AIKEN. Yes.

Senator HUMPHREY. Our next witness is Mr. Edgar Fuller, executive secretary of the Council of Chief State School Officers.

We are very glad to hear you now.

STATEMENT OF EDGAR FULLER, EXECUTIVE SECRETARY, COUNCIL OF CHIEF STATE SCHOOL OFFICERS

Mr. FULLER. Mr. Chairman and members of the subcommittee, my name is Edgar Fuller. I am executive secretary of the Council of Chief State School Officers. The council's members are the superintendents and commissioners of education in the States, Territories, island possessions, and the Commonwealth of Puerto Rico. It is a privilege to appear on behalf of legislation to increase the amount of funds the Commodity Credit Corporation shall be authorized to allocate for the school milk program for fiscal years 1960 and 1961.

State administration of the school lunch and school milk programs is, as you know, a responsibility of the State departments of education in all the States. Naturally, most chief State school officers have a lively interest in these programs. Less than 2 months ago, at the annual meeting of the council, they adopted resolutions concerning changes in school lunch legislation, along with another resolution

that applies to this legislation calling for complete financing of all current Federal support programs in the schools.

This legislation is necessary because the \$81 million thus far authorized for the current year is not enough to continue the regular allocations. The Department of Agriculture has ordered that after March 1 the reimbursement for eligible half pints of milk with type A lunches will be reduced from 4 to 3½ cents, and the reimbursement where milk is served alone will be reduced from 3 to 2½ cents per half pint, but it has also made it clear that if the present legislation is passed that the order will be revoked.

Most of the bills authorize \$85 million for the current year and \$90 million for fiscal year 1961, and I assume that these are the amounts necessary to insure continuance of the program at current rates until June 30, 1961. We hope a bill will become law in time to permit the Secretary of Agriculture to maintain the rates of reimbursement now in effect.

It seems to me that the case for this legislation is very strong. The Commodity Credit Corporation has a total of \$14.5 billion authorized, of which \$11,405 million was in use on October 30, 1959. The funds used by the Commodity Credit Corporation for the very effective school milk program are small compared with those involved in the price support programs for dairy products.

The school milk program has many advantages. So far as I know, the farmers are well pleased with it. Compared with purchases for price support, it is little, if any, more expensive for the Government to operate. There is unquestioned value in using the milk for young Americans who in many cases badly need it and would often be left without it except for this program. Milk drinkers are developed as adult customers for the dairy farmers of the future.

It is also good that the school milk program routes the milk to the children through regular commercial channels. The program does not require that the Federal Government ever become the owner of the milk, that it assume the responsibility for storage, or that it be burdened with the problems inherent in disposal of Government property, or that it assume any of the other responsibilities that go with governmental ownership of dairy products. This is not a question of increased Federal costs; it is a question of whether dairy products shall be dealt with one way or another way. The fact that supply and demand are in closer balance than a few years ago, so far as the school milk program is concerned, seems immaterial to school people as long as any Federal purchases of dairy products are necessary.

There appears to be no good reason not to take advantage of the relative abundance of dairy products to support their use in schools at the level of the present program. To reduce the level of support means a reduction of milk consumption in schools, as has been proved by a number of studies that have been presented to the Congress in recent years. Thus a fixed authorization that results in higher costs to pupils and decreased milk consumption in schools is questionable policy, as long as there is a program of Government ownership and storage of dairy products schoolchildren need.

It has been a privilege, Mr. Chairman, to appear here on behalf of the proposal to authorize maintenance of the school milk program

at its present level of support for each half pint consumed, and to increase the total outlay until June 30, 1961, in the proportion that the number of children who drink milk in the schools continues to increase.

Senator HUMPHREY. Thank you very much. Are there any questions?

If not, our next witness is Mr. Hugh F. Hall, assistant legislative director of the American Farm Bureau Federation. We will be glad to hear you now, sir.

STATEMENT OF HUGH F. HALL, ASSISTANT LEGISLATIVE DIRECTOR, AMERICAN FARM BUREAU FEDERATION

Mr. HALL. Mr. Chairman, and members of the committee, the special school milk program, first offered in the school year 1954-55, appears to have encouraged an increase in milk consumption among schoolchildren. As a result of this increased consumption, the program has been of assistance in bringing about a more desirable balance in milk production with consumption. It has probably contributed to the fact that other Government support to dairymen in recent months has diminished.

Because pupil enrollment is increasing in schools to which the program has been available and new schools are making applications to participate, it appears desirable that the funds be increased as recommended in S. 2751. We understand that the proposed increases for the current fiscal year, 1959-60, from \$81 million to \$85 million and for the following fiscal year, 1960-61, from \$84 million to \$90 million, will permit the program to be continued without reduction in the rate of payment which has been established. We therefore recommend to the subcommittee that the bill be reported favorably.

Senator HUMPHREY. Thank you very much. Are there any questions?

If not, we will next hear from Dr. John Perryman, executive director, American School Food Service Association, Denver, Colo. We are very glad to have you here, and will be glad to hear from you now.

STATEMENT OF DR. JOHN PERRYMAN, EXECUTIVE DIRECTOR, AMERICAN SCHOOL FOOD SERVICE ASSOCIATION, DENVER, COLO.

Dr. PERRYMAN. Mr. Chairman and members of the committee speaking for the more than 19,000 members of American School Food Service Association, with affiliate organizations in 48 of the 50 States, we wish to express appreciation for the opportunity of appearing before this committee in regard to the special milk program.

The American School Food Service Association wishes to protest the administrative decision by the Department of Agriculture to reduce Federal reimbursement under the special milk program by one-half cent per half pint of milk. We disagree pointedly with the contention that such a reduction would not be injurious to the conduct of the Special Milk Program. We are strongly of the opinion that such a reduction would be injurious to the program and we endorse legisla-

lation which would continue the current reimbursement rates as follows:

For schools operating under the national school lunch program: 4 cents per half pint special milk.

Schools not operating under the national school lunch program: 3 cents per half pint special milk.

Following is the thinking upon which our position is based.

The Nation now has 6 years of experience with the special milk program. We know that it has met with fidelity the needs it was created by the Congress to meet. A review of the Congressional Record shows that these needs have previously been set forth as follows:

(1) A contribution to an economically sound dairy industry and to the financial stability of the dairy farmer.

(2) An effort on the part of Congress to stabilize the production of milk and dairy products, foods basic to our national diet.

(3) An effort on the part of Congress to increase the consumption of fluid milk, thereby reducing surplus purchasing, storage, and distribution of such products as cheese and butter.

(4) To encourage the consumption of milk as one of nature's finest and most complete foods, especially for children.

(5) To make effective use of a commodity in abundant supply and at the same time encourage the habit of fluid milk consumption, both as an answer to dairy production and as an answer to nutritive requirements.

The reasoning behind this program was sound 6 years ago—and it is sound today. That the program has been successful is evidenced by the fact that 2.2 billion half pints of milk were consumed by children in the special milk program during 1958–59, and by the fact that additional funds are now required to complete the program for the present year, expected to be from 7 to 10 percent above last year's.

The growth of this program from zero to well over 2 billion half pints per year in 6 years is a performance record of no mean proportions and one which has come about through painstaking work and zeal. The administration of this program has been undertaken by school food service officials, who were given no additional staffs or operational budgets with which to do the job. From the beginning, simplicity of operation has been promised by the Department of Agriculture in order to make this undertaking feasible for the already overloaded school lunch staffs.

The setting up of each special milk program required considerable additional administrative work on the part, not only of school lunch officials and workers, but also on the part of teachers, principals, and superintendents. The program has been entered into with some measure of reluctance and misgiving in many instances. Inventiveness and extraordinary measures have been required to create this whole new outlet for fluid milk. The fact that the program is now operational in more than 81,500 of our Nation's schools, child-care institutions, and summer camps is a tribute to the dedication of those who serve our Nation's youth.

In 1960 the special milk program must be looked upon for what it is—not one single thought, word, act, or appropriation—but rather a widespread working cooperation of many people, from the Congress of the United States to the fourth grade arithmetic teacher who serves milk in her classroom. It should be remembered that this consumption

of milk has been other than the half pints included in the type A requirements of the school lunch program. As a consequence, milk has been served in the classroom, in school halls, playgrounds, other recreational and athletic facilities, and under every conceivable circumstance where students gather. There can be no question but that the tremendous acceptance of the program has resulted, not only from the price of the milk, but also from its immediate availability. You can well imagine, gentlemen, the changes in school routine necessitated by this program. Additional equipment has been required such as refrigeration units, vending machines, portable carts, trays, and waste-disposal units. In many instances, additional personnel of both administrative and custodial categories have been required.

Without administrative compensation or reimbursement, State and local administrators have accepted the will of the Congress and have worked hard to make the program succeed. Succeed it has. The program is farflung, the machinery of operation for the year is in motion, and the people involved are legion in number.

If the ruling of the Department of Agriculture is permitted to stand, and reimbursement cut back by one-half cent in midyear, we anticipate the following results, all contrary to the intent of Congress in establishing the program :

(1) Most schools will increase milk prices by 1 full cent per half pint. The administrative difficulties of a half-cent change in price, collected on either a daily or weekly basis, are readily apparent.

(2) In many instances, the additional half-cent collected per half pint of milk would raise the school receipts above the permissible 1 cent per unit handling charge permitted by Federal regulations, thereby necessitating further reduction in the rate of reimbursement to the school.

(3) Consumption of fluid milk under the special milk program will sharply decrease—several studies conducted by the Department of Agriculture verify this inverse relation between price and consumption. This will have an unfortunate effect upon the dairy industry, will almost certainly require larger Government purchases of such items as butter and cheese, and will hit hardest at children from low-income homes—children who very likely need the nourishment most.

(4) A serious strain will be placed upon the working relationships maintained by Federal and State Governments with local administrators. One State director has advised us that he did not even have the postage budget to advise all the districts in his State of the change in the reimbursement rates.

It is very strongly our feeling, gentlemen, that Federal, State, and local governments have undertaken this program together. The tremendous expansion of the program indicates that no lack of enthusiasm has been evidenced on State and local levels in administering this activity in full accord with the will and spirit of the Congress in establishing this program.

To now say that this outstanding, volunteer job has been "just a little too good" and that the Federal Government is unwilling to provide quite enough money to complete what it began would, in our opinion, have unfortunate, if not disastrous, effects upon the future acceptance of the program.

Senator HUMPHREY. Thank you very much.

Are there any questions? If not, our next witness is Mr. Reuben Johnson, of the National Farmers Union.

We are very glad to have you here and to hear from you now.

STATEMENT OF REUBEN JOHNSON, COORDINATOR, DIVISION OF LEGISLATIVE SERVICES, NATIONAL FARMERS UNION

Mr. JOHNSON. Mr. Chairman and members of the subcommittee, the school milk program began as a popular program. It has enjoyed the support of parents and schoolchildren, State governmental officials, school administrators, and producers.

It is significant that the number of schoolchildren participating in the school milk program continues to increase. This situation has resulted in a reappraisal by the Department of Agriculture of the current reimbursement rate per half pint of milk being allowed the States. The rate heretofore established and paid to the States has amounted to 4 cents per half pint of milk in schools serving type A hot lunches and 3 cents in other schools.

Faced with the decision of whether to limit the participation in the school milk program or to cut the above rates or reimbursement, the Department of Agriculture made an administrative policy decision to cut the reimbursement rate by a half-cent per half pint. We believe that this was a shortsighted and restrictive view of the attitude of the Congress toward the school milk program. The prompt introduction of S. 2751, S. 2848, and S. 2797, and this early hearing on the bills point up the interest that exists in the Congress in providing the financial support necessary to protect the reimbursement rate established at the outset of the program.

The purpose and the effect of the increase in authorizations provided in these bills is to prevent the cut in the reimbursement rate proposed by the Department of Agriculture.

Only about half of the Nation's schoolchildren are participating in the school milk program. Congress has the right as well as the obligation, therefore, to review the school milk program each year to see that as participation increases there is not a crippling setback in the terms of reimbursement that was thought fair and equitable at the outset of the program by the executive branch and the Congress alike.

Senator HUMPHREY. Are there any questions? If not, we thank you very much.

The next witness, we have Lester Johnson, a Representative from the State of Wisconsin. We shall be glad to hear from you now.

STATEMENT OF HON. LESTER JOHNSON, A REPRESENTATIVE IN CONGRESS FROM THE NINTH CONGRESSIONAL DISTRICT OF WISCONSIN

Mr. JOHNSON. Mr. Chairman and members of the committee, on November 11, 1959, the U.S. Department of Agriculture announced that the Federal reimbursement rate to schools under the children's milk program will be cut by half a cent per half pint of milk on March 1 of this year. At the present time, schools under the type A

national school lunch program receive a maximum of 4 cents per half pint of milk which is served as a separately priced item. In schools and child-care institutions serving just the milk, the maximum reimbursement rate is 3 cents per half pint.

I was very disturbed to hear of the coming cut in the reimbursement rate, and when I returned to Washington in mid-November, I immediately looked into the reasons behind the USDA's announcement. I learned that the children's milk program has grown to the point where the \$81 million authorized for fiscal 1960 will not cover the expanded program at the present reimbursement rate. In order to enable the current reimbursement rate to be continued, it is estimated that the authorization for the program will have to be raised to \$85 million for fiscal 1960 and to \$90 million for fiscal 1961.

During the 6 years the children's milk program has been in operation, it has amply demonstrated its worth. In the past fiscal year, some 2.2 billion half pints of milk were consumed by children under the program. The number of participating schools, child-care institutions, and summer camps climbed to an alltime high of more than 81,500 during the same period. This figure is better than 5,000 higher than the 1958 total of participating organizations.

Preliminary reports indicate that the program is continuing to expand during the current school year. For instance, the State of Utah needs 26 percent more money to carry on its expanded children's milk program this year than was needed last year.

However, as successful as the program has been, it still reaches barely one-half of our Nation's schoolchildren. Nutritionists agree that milk is nature's most nearly perfect food. I feel it is vitally important for the children of our country to have a sufficient amount of wholesome, nutritious milk.

This can hardly be accomplished unless sufficient funds are made available so the children's milk program can keep pace with rising school enrollment as well as encouraging additional schools to join this worthwhile program. For a school which is thinking of taking part in the program, nothing could be more discouraging than the fear that the funds for the program might run out in the middle of the school year—or the fear that the reimbursement rate to the schools might be sliced.

If the announced cut in the Federal reimbursement rate to schools is allowed to go through, naturally the price of school milk will go up. And if the students have to pay more for the milk, there will be a decrease in milk consumption in the schools, particularly among children from low-income families. These are the youngsters who need the milk the most, because they very likely are not getting enough milk at home.

The direct relationship between the price the children pay for milk and the amount they drink has been proven by studies conducted by the U.S. Department of Agriculture. I would like to quote from a USDA news story entitled "Special Milk Program Continues To Increase Children's Milk Consumption." It was released to the press on January 5, 1960, and the paragraph on the correlation between milk price and consumption reads as follows:

Schools, nursery schools, settlement houses, summer camps, and other child-care institutions have found that children want to drink more milk. The more opportunities found to serve milk at additional times during the day, the more

milk the youngsters will drink. The opportunity to make milk available to them at a special price—lower than they would ordinarily pay—through operation of the special milk program has resulted in substantial extra sales and increased consumption by children.

The actual administration of the children's milk program by the Department of Agriculture has been excellent. Administrative procedures have been worked out to encourage broad participation by schools, summer camps, and child-care institutions.

Last year, however, Department of Agriculture policymakers tried to hold back the program. To use their own words, they wanted to "stabilize the program" by keeping expenditures at the level of \$75 million a year.

Such action would not result in a stabilization of the program. Rather, it would mean a gradual diminishing of the program, since the number of schools and the number of schoolchildren continue to increase. Any program such as the children's milk program cannot stand still. It either advances or it starts down hill.

When hearings were held before the Dairy and Poultry Subcommittee of the House Agriculture Committee on Wednesday, January 20, I was gratified to learn the Department of Agriculture agreed that it was advisable to maintain the present reimbursement rate and that they were in favor of the legislation.

I want to commend your committee for its promptness in scheduling hearings on this important legislation. I have enjoyed working with the chairman of the subcommittee, Senator Olin D. Johnston, and I thank you for the opportunity of appearing before you.

Senator HUMPHREY. Thank you very much. Are there any questions?

If not, we thank you very much, Congressman.

I believe that completes our list of witnesses.

Senator AIKEN. There is one other thing this committee might consider which relates to the inadequacy of funds for the brucellosis program this year. We need appropriations for that. I, for one, feel that it would be terribly shortsighted to let that program, which we have finally made effective, to slip any at this time.

Senator JORDAN. Is that tuberculosis?

Senator AIKEN. No; brucellosis. It has gotten into the tuberculosis program. We do not want to use tuberculosis money to keep the brucellosis program going. We cannot afford to let that slip back any.

I know that the Bureau of the Budget is opposed to any increase above the \$15 million, but the Bureau of the Budget is not using sound judgment in this case, I am very sure.

I do not know but what this subcommittee would like to recommend to the full committee that the amount be put back to the \$20 million a year which is necessary, I am sure, if we are to keep the brucellosis program rolling and to eradicate the disease.

Senator JORDAN. If they find a herd that is infected, do they pay the farmer for it?

Senator HUMPHREY. That is right.

Senator AIKEN. It varies. In some States, they do not pay indemnity at all, but in my State they appraise the animal and sell it for beef. The price of beef determines the value of the cow, and the

Government pays one-third, the State pays one-third, and the farmer pays one-third. Does that apply in many of the States?

Mr. LENNARTSON. I could not answer you on that.

Senator JORDAN. The amount of \$15 million is not sufficient to carry the program on?

Senator AIKEN. I believe the appropriation was \$20 million for the last fiscal year, and when the budget came before the Appropriations Subcommittee for Agriculture last year the sum of \$15 million was requested for this fiscal year. I said then that that would not be adequate, if they were going to keep the program going.

The Senate approved \$17,500,000, and when we got into conference with the House, the conferees agreed on \$16,250,000. And a month after Congress went home it was apparent that the amount was inadequate.

Senator HUMPHREY. I think that we should follow this suggestion.

Senator AIKEN. I realize fully the position of the people in the Department of Agriculture. I think this is a job for the Congress to do, and I suggest we recommend to the Appropriations Committee that they provide enough to bring the appropriation up to \$20 million for this fiscal year, because it is needed.

Senator HUMPHREY. If there is no objection, we will make that suggestion to the full committee.

Senator JORDAN. I move that you do so.

Senator HUMPHREY. We will do that, and bring it up for discussion in the full committee, and reaffirm it, and have the chairman take it up.

If there are additional statements that any desire to file, the record will be kept open for that purpose, and they will be made a part of the record at this point.

If there is nothing further to come before us at this time, the subcommittee stands adjourned.

(Whereupon, at 11:20 a.m. the subcommittee adjourned.)

(Letters filed by the National Milk Producers Federation are as follows:)

STATE COLLEGE, PA., *January 27, 1960.*

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

GENTLEMEN: The reduction in the rate of reimbursement for the special milk program in our public schools will materially reduce the effectiveness of the program. We urge your organization to use its influence with Congress to increase the appropriation and thus prevent this reduction in reimbursement.

Thank you.

Very truly yours,

ROY S. JAMISON,
Supervising Principal, College Area Schools.

DENTON, TEX., *January 21, 1960.*

Mr. J. O. WOODMAN,
General Manager, North Texas Producers Association,
Arlington, Tex.

DEAR MR. WOODMAN: It has been called to my attention that the U.S. Department of Agriculture plans to decrease reimbursements to schools for the special milk program. We feel that this action would definitely hinder such program in that it would be necessary for us to increase the price of milk at least 1 cent

per half pint. An increase in price would reduce the milk consumption in the special program as well as the lunch program.

This program has been one of the finest sponsored by the Federal Government, and it is our hope and the hope of this community that nothing will be done to alter the effectiveness of such program. We actually consume over one-half million half pints annually in the schools and feel that it is a wonderful asset to the health of our school pupils; therefore, we request that your organization make every effort possible to avoid any reduction in the reimbursement to schools for this purpose.

Sincerely yours,

CHESTER O. STRICKLAND,
Superintendent, Denton Public Schools.

TULIA, TEX., January 18, 1960.

Mr. E. M. NORTON,
*Secretary, National Milk Producers Federation,
Washington, D.C.*

DEAR MR. NORTON: The special milk program means a great deal to many of our students. This has been a very hard year on outdoor working families. We have had wet, cold weather which has eliminated outdoor work.

Many families in our school district are having difficulties in providing milk and food for their children. If the special milk program is decreased, it will cause additional financial burden on the school and for many needy families.

I wish to express my opposition to any decrease in the financial support of the special milk program. If there is any way in which we may help to continue this program at its present level, please contact us.

We appreciate your interest and assistance in the promotion of this special milk program.

Sincerely yours,

W. V. SWINBURN,
Superintendent, Tulia Public Schools.

CUMBY, TEX., January 14, 1960.

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

DEAR SIR: We object to the reduction of funds for the special milk program. In fact, we think it should be increased, for the children of our Nation need this extra milk. Many of them would not get any milk at all.

The lunchrooms can just operate as the program is. Any reduction in the milk aid would seriously hamper our lunch program.

Sincerely,

H. T. MAHAN,
Superintendent, Miller Grove Rural High School.

MOOERS, N.Y., January 22, 1960.

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

GENTLEMEN: We are deeply concerned that the reimbursement for milk for our school lunch program is to be cut one-half cent per bottle in the near future.

I can think of no better way to use Federal funds to assist the school districts, the dairy industry, and the children than to maintain our present program and allocation.

We serve over 600 half pints of milk daily to our schoolchildren and will appreciate your support in the matter.

Cordially yours,

PAUL E. VOGAN,
District Principal, Mooers Central School.

DECATUR, GA., *January 22, 1960.*

Mr. E. M. MORTON,
*Secretary, National Milk Producers Federation,
Washington, D.C.*

DEAR MR. MORTON: Mr. Hornbuckle of Atlanta Dairies Cooperative has requested me to write you the details of the school milk program in the De Kalb school system.

Currently an average of 35,000 half pints of milk are used each day in the De Kalb school system lunchroom program. Of this number 10,000 are purchased under the provisions of the special milk program. The purchase of the additional 10,000 half pints is greatly encouraged by the Federal supplement. If this is reduced, it is anticipated by the school officials that the quantity of milk purchased by the schoolchildren will be considerably curtailed.

Sincerely yours,

JIM CHERRY,
Superintendent, De Kalb County Board of Education.

ANACORTES, WASH., *January 19, 1960.*

To Whom It May Concern:

The Anacortes School District No. 103 would like to protect the proposed cut in our reimbursement under the special milk program. This cut will disrupt a program in action.

We hope that an additional appropriation will restore the cut, and a full appropriation of \$90 million will be made for the next school year.

Sincerely,

CLARENCE E. HENNING,
Superintendent, Anacortes Public Schools.

ALVORD, TEX., *January 20, 1960.*

Mr. J. O. WORDMAN,
Arlington, Tex.

DEAR MR. WORDMAN: This letter concerns the reported possible increase in price of milk to school pupils under the special milk program.

The approximate amount consumed by our pupils under this program is 28 percent of the total milk purchased by the school lunchroom for all purposes. I believe that an increase in prices will reduce this amount by a large percentage.

The special milk program has been very valuable in encouraging youngsters to drink more milk. It would certainly be too bad to have the trend reversed as a result of such a price increase.

I sincerely hope that some other solution to the problem can be found.

Yours truly,

G. R. PRICE,
Superintendent, Alvord Public Schools.

MIFFLINBURG, PA., *January 22, 1960.*

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

DEAR SIR: In view of the fact that the reimbursement rate for the milk program in our public schools will be reduced effective March 1, 1960, I am writing to urge you to support further legislation for increased funds to carry on the milk program effectively.

Milk being one of the most nutritious foods offered on the school lunch menu it would seem that we should make every effort possible to keep the price at a level where all boys and girls in our schools could avail themselves of a healthful snack between meals as well as a supplement to the platter lunch at noon.

A raise in the price of milk offered to the pupils would have an adverse effect on the amount of milk we now serve in our schools. I, therefore, hope you will use your influence to keep the reimbursement rate at the present level in order that we may continue to offer the children all the milk they can drink at a reasonable price.

Sincerely,

Mrs. AGNES C. PRICE,
Cafeteria Manager, Western Area Joint Schools.

MEXICO, N.Y., *January 25, 1960.*

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D.C.

GENTLEMEN: Parents living in this school district are concerned about the Federal school milk program for the rest of the year.

Children in this school are consuming on the average of 1,784 half pints of 3.9 percent pasteurized grade A milk daily. Of this amount 42 percent is consumed by children apart from the type A school lunch program.

This means that many underprivileged children are receiving at least one-half pint of milk daily at a cost of 3 cents per bottle. If the price per child increases, the number of underprivileged consumers decreases.

I believe this represents a typical upstate New York school district. We urge steps be taken to continue Federal support for this program.

Very truly yours,

STEPHEN T. STANTON,
District Principal, Mexico Academy and Central School.

CONCRETE, WASH., *January 20, 1960.*

E. M. NORTON,
*Secretary, National Milk Producers Federation,
Washington, D.C.*

DEAR MR. NORTON: We certainly do not favor the proposed reduction in the special milk program. It is becoming quite apparent that the Federal Government begins a project like the special milk program or similar projects; then in a few years it reduces the financial aid and continues to do so until the program has to be supported by local taxes or else discontinued. The general public is tiring of this type of operation. In our circumstances we will have to eliminate the special milk program if any more reductions occur.

Your help in this matter will be greatly appreciated.

Sincerely,

HUGH M. BARR,
Superintendent of Schools, Upper Skagit Valley Schools.

SPRING MILLS, PA., *January 20, 1960.*

NATIONAL MILK PRODUCTS FEDERATION,
Washington, D.C.
(Attention: Mr. E. M. Norton, Secretary.)

DEAR MR. NORTON: The Penns Valley Area Joint School Board has been notified of a decision by the U.S. Department of Agriculture to decrease the rate of reimbursement, effective March 1, 1960, for each one-half pint of milk served under the special milk program. If this occurs, it will seriously effect the consumption of milk in the school cafeterias of the Penns Valley area, causing an increase in the cost of meals and a decrease in the number of students benefited by the program.

The proposed reduction in subsidy means a daily loss of approximately \$21 to the cafeterias of our areas. This is a major loss to us.

The Penns Valley Area Joint School Board, by resolution on January 18, 1960, directed a letter of protest be sent to the proper authorities concerning this reduction and the subsequent loss to the schoolchildren of our area.

It is imperative that present subsidies be retained or increased and our board strongly recommends increased Federal appropriation to make this possible.

Please consider this letter as an official protest to the reduction of subsidies as well as a request for increased appropriation to pay for same.

Sincerely,

CURTIS M. WATTS,
Supervising Principal, Penns Valley Area Joint School.
MARY B. BARGER,
Secretary, Penns Valley Area Joint School Board.

X

LEGISLATIVE HISTORY

Public Law 86-446

H. R. 9331

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INDEX AND SUMMARY OF H. R. 9331

- Jan. 6, 1960 H. R. 9329, by Rep. Hogan; H. R. 9331, by Rep. Johnson (Wis.); H. R. 9366, by Rep. Pfoest; H. R. 9370, by Rep. Quie were referred to the House Agriculture Committee. Print of bills as introduced.
- Jan. 7, 1960 S. 2751 was introduced by Sen. Humphrey and was referred to the Senate Agriculture and Forestry Committee. Print of bill as introduced.
- H. R. 9469 was introduced by Rep. Wolf and referred to the House Agriculture Committee. Print of bill as introduced.
- Rep. Johnson (Wis.) discussed his proposed bill H. R. 9331.
- Jan. 11, 1960 H.R. 9496, by Rep. Jennings, and H. R. 9498, by Rep. Kastenmeier, were referred to the House Agriculture Committee. Print of bills as introduced.
- Jan. 12, 1960 H.R. 9553 was introduced by Rep. Roosevelt and referred to the House Agriculture Committee. Print of bill as introduced.
- Jan. 13, 1960 S. 2797 was introduced and discussed by Sen. Wiley and was referred to Senate Agriculture and Forestry Committee. Print of bill as introduced and remarks of Sen. Wiley.
- Jan. 14, 1960 H. R. 9633 was introduced by Rep. Hagen and was referred to the House Agriculture Committee. Print of bill as introduced.
- Jan. 18, 1960 S. 2848 was introduced by Sen. Randolph and referred to the Senate Agriculture and Forestry Committee. Print of bill as introduced.
- H. R. 9677, by Rep. Cohelan; H. R. 9688, by Rep. McFall; H. R. 9690, by Rep. McGovern; H. R. 9694, by Rep. Clem Miller; and H. R. 9699, by Rep. Saund were referred to the House Agriculture Committee. Print of bills as introduced.
- Jan. 20, 1960 H. R. 9766, by Rep. Carnahan; H. R. 9769, by Rep. Hechler; and H. R. 9771, by Rep. Johnson (Calif.) were referred to the House Agriculture Committee. Print of bills as introduced.

INDEX AND SUMMARY OF H. R. 9331, cont'd:

Jan. 22, 1960 Senate subcommittee voted to report S. 2751.
House subcommittee voted to report H. R. 9331 with amendment.

Jan. 29, 1960 House subcommittee rereferred H. R. 9331 to full committee.

Feb. 4, 1960 House committee reported H. R. 9331 with amendments. H. Report No. 1245. Print of bill and report.
House Rules Committee reported resolution for the consideration of H. R. 9331. H. Res. 439, H. Report No. 1244. Print of resolution and report.

Feb. 8, 1960 House passed H. R. 9331 as reported.

Feb. 9, 1960 H. R. 9331 was referred to the Senate Agriculture and Forestry Committee. Print of bill as referred.

Feb. 17, 1960 Senate committee voted to report (but did not actually report) H. R. 9331 with amendment.

Feb. 18, 1960 Senate committee reported H. R. 9331 with amendments. S. Report No. 1095. Print of bill and report.

Feb. 23, 1960 Summary of H. R. 9331 as reported by Senate committee.

Mar. 28, 1960 Senate passed over H. R. 9331.

Mar. 29, 1960 Senate passed H. R. 9331 as reported.

Mar. 31, 1960 House conferees were appointed on H. R. 9331.

Apr. 7, 1960 Senate conferees were appointed.

Apr. 12, 1960 Conferees agreed to file a report on H. R. 9331.

Apr. 14, 1960 Senate received and agreed to conference report.

Apr. 18, 1960 House received conference report. H. Report No. 1520. Print of conference report.

Apr. 19, 1960 House agreed to conference report.

DIGEST OF PUBLIC LAW 86-446

SPECIAL MILK PROGRAM. Increase by \$4 million
(to \$85 million) for fiscal year 1960,

86TH CONGRESS
2D SESSION

H. R. 9329

IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 1960

Mr. HOGAN introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to con-
4 tinue the special milk program for children in the interest
5 of improved nutrition by fostering the consumption of
6 fluid milk in the schools", approved July 1, 1958, as
7 amended (7 U.S.C., sec. 1446 note), is amended to read
8 as follows: "That for the fiscal year beginning July 1, 1959,
9 not to exceed \$85,000,000, and for the fiscal year be-
10 ginning July 1, 1960, not to exceed \$90,000,000, of the

1 funds of the Commodity Credit Corporation shall be used to
 2 increase the consumption of fluid milk by children (1) in
 3 nonprofit schools of high school grade and under; and (2)
 4 in nonprofit nursery schools, child-care centers, settlement
 5 houses, summer camps, and similar nonprofit institutions
 6 devoted to the care and training of children.”

86TH CONGRESS
 2D SESSION

H. R. 9329

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

By Mr. HOGAN

JANUARY 6, 1960

Referred to the Committee on Agriculture

86TH CONGRESS
2D SESSION

H. R. 9331

IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 1960

Mr. JOHNSON of Wisconsin introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to con-
4 tinue the special milk program for children in the interest of
5 improved nutrition by fostering the consumption of fluid milk
6 in schools", approved July 1, 1958, as amended (7 U.S.C.,
7 sec. 1446 note), is amended to read as follows: "That for
8 the fiscal year beginning July 1, 1959, not to exceed \$85,-
9 000,000, and for the fiscal year beginning July 1, 1960, not
10 to exceed \$90,000,000, of the funds of the Commodity Credit

1 Corporation shall be used to increase the consumption of
 2 fluid milk by children (1) in nonprofit schools of high-school
 3 grade and under; and (2) in nonprofit nursery schools,
 4 child-care centers, settlement houses, summer camps, and
 5 similar nonprofit institutions devoted to the care and train-
 6 ing of children.”

86TH CONGRESS
 2D Session

H. R. 9331

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

By Mr. JOHNSON of Wisconsin

JANUARY 6, 1960

Referred to the Committee on Agriculture

86TH CONGRESS
2D SESSION

H. R. 9366

IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 1960

Mrs. PFOST introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to
4 continue the special milk program for children in the
5 interest of improved nutrition by fostering the consumption
6 of fluid milk in the schools", approved July 1, 1958, as
7 amended (7 U.S.C. 1446 note), is amended to read as
8 follows: "That for the fiscal year beginning July 1, 1959,
9 not to exceed \$85,000,000, and for the fiscal year beginning
10 July 1, 1960, not to exceed \$90,000,000, of the funds of

1 the Commodity Credit Corporation shall be used to increase
 2 the consumption of fluid milk by children (1) in nonprofit
 3 schools of high school grade and under; and (2) in nonprofit
 4 nursery schools, child-care centers, settlement houses, sum-
 5 mer camps, and similar nonprofit institutions devoted to the
 6 care and training of children."

86TH CONGRESS
 2D SESSION

H. R. 9366

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

By Mrs. FROST

JANUARY 6, 1960

Referred to the Committee on Agriculture

86TH CONGRESS
2D SESSION

H. R. 9370

IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 1960

Mr. QUIE introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To increase and make permanent the special milk program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of Public Law 85-478 (72 Stat.
4 276), as amended, is amended to read as follows: "That for
5 the fiscal year beginning July 1, 1958, not to exceed
6 \$78,000,000, and for the fiscal year beginning July 1, 1959,
7 not to exceed \$85,000,000, and for the fiscal year begin-
8 ning July 1, 1960, and for each fiscal year thereafter, not
9 to exceed \$90,000,000 of the funds of the Commodity Credit
10 Corporation shall be used to increase the consumption of fluid
11 milk by children (1) in nonprofit schools of high school

1 grade and under; and (2) in nonprofit nursery schools, child
 2 care centers, settlement houses, summer camps, and similar
 3 nonprofit institutions devoted to the care and training of
 4 children.”

86TH CONGRESS
 2D SESSION

H. R. 9370

A BILL

To increase and make permanent the special
 milk program.

By Mr. QUITE

JANUARY 6, 1960

Referred to the Committee on Agriculture

S. 2751

IN THE SENATE OF THE UNITED STATES

JANUARY 7, 1960

Mr. HUMPHREY (for himself and Mr. McCARTHY) introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to con-
4 tinue the special milk program for children in the interest
5 of improved nutrition by fostering the consumption of fluid
6 milk in schools", approved July 1, 1958, as amended (7
7 U.S.C. 1446 note), is amended to read as follows: "That for
8 the fiscal year beginning July 1, 1959, not to exceed \$85,-
9 000,000, and for the fiscal year beginning July 1, 1960, not
10 to exceed \$90,000,000, of the funds of the Commodity Credit

1 Corporation shall be used to increase the consumption of fluid
 2 milk by children (1) in nonprofit schools of high school
 3 grade and under; and (2) in nonprofit nursery schools,
 4 child-care centers, settlement houses, summer camps, and
 5 similar nonprofit institutions devoted to the care and train-
 6 ing of children."

86TH CONGRESS
 2D SESSION

S. 2751

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

By Mr. HUMPHREY and Mr. MCCARTHY

JANUARY 7, 1960

Read twice and referred to the Committee on
 Agriculture and Forestry

86TH CONGRESS
2D SESSION

H. R. 9469

IN THE HOUSE OF REPRESENTATIVES

JANUARY 7, 1960

Mr. WOLF introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to con-
4 tinue the special milk program for children in the interest of
5 improved nutrition by fostering the consumption of fluid
6 milk in schools", approved July 1, 1958, as amended (7
7 U.S.C., sec. 1446 note), is amended to read as follows:
8 "That for the fiscal year beginning July 1, 1959, not to
9 exceed \$85,000,000, and for the fiscal year beginning July
10 1, 1960, not to exceed \$90,000,000, of the funds of the

1 Commodity Credit Corporation shall be used to increase the
 2 consumption of fluid milk by children (1) in nonprofit
 3 schools of high school grade and under; and (2) in non-
 4 profit nursery schools, child-care centers, settlement houses,
 5 summer camps, and similar nonprofit institutions devoted to
 6 the care and training of children."

86TH CONGRESS
 2d Session

H. R. 9469

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

By Mr. WOLF

JANUARY 7, 1960

Referred to the Committee on Agriculture

The issue selected is one where the United States cannot capitulate with honor. It provides a continuing trouble spot.

The real issue, in the view of observers here, is money—U.S. money, and lots of it. It is problematical whether the man in the street will be any better off if the United States pays Panama \$2 million or \$50 million annually. The record shows that in the past several years, with constantly larger national budgets, the people have not been benefited significantly, but have suffered increased unemployment, poverty, and a deep sense of futility.

Various demands are being made on the United States by Panama, but all are basically the same—more money. Whether it is a 50-50 split of the Panama Canal's gross income, a greatly increased annuity, more pay for Panamanian workers in the Canal Zone, a captive market in the Canal Zone for Panamanian products regardless of quality or price, or even threats of nationalization of the Panama Canal—all demand that more money flow into Panama for the dominant Panamanian families.

CALLED PRESSURE TOOL

The anti-American sentiment so deliberately generated here is merely a tool to exert pressure on the United States for economic concessions, it is generally agreed here. With Panama so patently an underdog in size and economy, and with its general backwardness, the United States faces international censure when Panama cries it is being "mistreated by the imperialistic colossus of the north."

The United States, observers say, is hampered in the situation by three factors: The weakness of the Panama Government, the political control of the Panama press, and the weakness and ineptitude of some State Department representatives.

During many years, the Government of Panama has been an instrument of the ruling class used to protect and enhance its vested interests, political observers note. In doing so, it frequently incurs the wrath of the people and of nonruling class opposition.

PRESS ROLE NOTED

Because of its weakness, the administration of Panama is a mere facade, according to most observers here. They say the administration is so fully occupied in endeavoring to stay in power that it dare not attempt any defense of the United States.

Majority opinion here is that the Panama Government has taken no action to combat the anti-American press and radio campaign but some administration leaders have promoted it.

The press has played a vital role in building up anti-American tension. In Panama, the Spanish-language press is a political weapon, not a business enterprise. If newspapers make money, so much the better, but it appears here that often they exist primarily for the purpose of controlling public opinion, to manipulate the people in the direction chosen by the publishers.

With one anti-American individual controlling the majority of the newspapers and influencing most of the others, the United States has no means to rebut the hate campaign.

Many North Americans here think that Panama already has received more than its fair share of handouts and appeasements.

Even the most hopeful American citizens on the Isthmus of Panama do not foresee any time when United States-Panama relations can be on an even keel.

Because of the increasing harassment of the United States by Panama, it is considered possible that the United States may look with favor on internationalization of the Panama Canal under the United Nations or some similar international body.

United States Faces Ruinous Foreign Trade—Will Russia-China Become World "Discount Houses?"

EXTENSION OF REMARKS

OF

HON. H. R. GROSS

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 7, 1960

Mr. GROSS. Mr. Speaker, throughout the length and breadth of the United States there is growing concern as exports decrease and the flood of foreign imports increases, displacing the markets for American-made products both at home and abroad.

Accelerating this situation is the movement of American capital abroad for the establishment of factories from which come additional low-cost products. To top it all off, hundreds of millions of dollars are extracted each year from American taxpayers and sent abroad to support the economies of countries whose products are overrunning U.S. labor, industry, and agriculture.

Now comes the drive to open the doors to all-out trade with Russia. Next will be Communist China. In no case, Russia, China or any of the nations constituting the so-called free world can U.S. labor, industry, or agriculture, operating on anything approaching free enterprise, compete on a cost basis. It is easy to invoke the argument of competition, but how can there be true competitiveness when almost all elements of cost in foreign production are substantially below costs in this country?

Sharing the concern of all thoughtful citizens as to how the productive plant of this nation can thrive in this uncompetitive climate is the National Federation of Independent Business whose vice president, Edward Wimmer, points out in a published article some of the reasons why U.S. export-import trade faces ruin. The article by Mr. Wimmer follows:

Counters were piled high with hundreds of millions of dollars worth of foreign made merchandise during the Christmas buying season, one department store executive remarking: "It was difficult to find something made in America, in some of our departments."

Recently, I again picked up a little American flag beside my plate at a banquet, and on the bottom it read: "Made in Japan." I bought a scarf in Seattle with the map of Washington on it, and in the corner it bore the same inscription. An operator of a local drug store told me the totem poles made by the Indians are now being duplicated to sell at half the price. I looked at a cigarette lighter, exact duplicate of an American made, for one-third cost of U.S. product.

This past year saw nearly \$200 million in sales of foreign made women's wear. The busy Japanese passed the 4 million mark in radio sales. Over half U.S. sales of portable typewriters came over our borders, and it is estimated that 95 percent of all china sold this past year was foreign made.

From Hong Kong has come ship loads of blouses, men's suits, gloves, and shirts. Since foreign manufacturers (many American) are buying cotton 8 cents a pound lower than domestic manufactured, 1960 is expected to see even greater invasion of U.S. textile business. Consider the startling figure of 20 million pairs of leather shoe imports in 1959, and don't overlook the fact that more and more of these imports are coming from subsidiaries of American manufacturers. Said the Boot & Shoe Workers Union, in a special bulletin on imports:

"When big American shoe manufacturers, operating their own chains of retail stores, are the leading importers, promoters, and sellers of foreign made shoes, their pretended consternation over imports cannot be sincere. If they would withhold promotions of imports and intensify promotion of their own domestic product, they would better equalize our import-export balance of trade."

Congressman H. R. Gross, Iowa, reports: "Faye Bennison, a former Cedar Falls citizen, went to California and opened a semi-porcelain plant. Three years ago the plant hired 2,000 people. Today the plant is closed, jobs are gone, building sold. It could not compete with Japan. Seventeen other china and porcelain plants in California are closed."

American firms are stampeding to foreign countries. Fifty three plants have been established. The outboard motor export business will soon be lost to the United States, and they'll come in here by the thousands from plants that didn't cost American promoters a nickel. Yet our officials are talking about easier taxation on U.S. earnings invested abroad, putting us in the position of financing our own destruction.

Some 5 years ago this column said—"look out for China and Russia—the upcoming world discount houses." We quoted Russian leaders as saying the big war to come was on the economic front—and "we'll win it." Allen Dulles now says that both countries will be "trading anything and dumping anything if it advances communism or helps to destroy the West."

Look at the Texas oil fields where the small operators and wildcatters are being frozen out by petroleum imports, leaving more and more of the business to the giants who have billions invested in foreign countries. Oil imports are now about 25 percent of U.S. markets, with domestic producers being held down to a few days production each month. The bigs can stand it and gear restrictions to tax benefits, but the smalls lose their shirts.

Such is the story in every field of business today. The smalls losing their shirts—not only to the bigs at home but to their subsidiaries abroad. The answer, a real fight to establish our free enterprise system on a basis of fair wages, fair prices and fair profits—with tariff walls high enough to insure fair competition, and relentless war against undue growth of power in agriculture, industry, finance, labor, and government. If you have better ideas, let's hear them.

Children's Milk Program

EXTENSION OF REMARKS

OF

HON. LESTER R. JOHNSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 7, 1960

Mr. JOHNSON of Wisconsin. Mr. Speaker, yesterday I introduced a bill to increase the amount of Commodity

Credit Corporation funds which can be used for the children's milk program during the 1960 and 1961 fiscal years. Under the provisions of my bill, the authorization for this program would be increased from \$81 to \$85 million for the fiscal year ending June 30, 1960, and from \$84 to \$90 million for the fiscal year ending June 30, 1961.

The increased authorization will be necessary if the children's milk program is to fulfill the bright promise of the program's 6-year history. During the 1954-55 school year, the first that the children's milk program was in operation, 41,094 schools used 449,800,000 half pints of milk. Since that time, both the number of schools participating and the amount of milk consumed have shown a steady and gratifying increase. Throughout the 1958-59 school year, some 80,000 schools and child-care institutions took part in the program, and the children drank 2,175 million half pints of milk.

These figures do not include the summer camps, which became eligible to benefit from the program under the provisions of a bill I introduced and which was enacted into law in 1956. The following year, 2,220 camps participated in the program. By 1958, the number had gone up to 3,026.

Mr. Speaker, as successful as the children's milk program has been during its first 6 years, it still reaches barely half of our Nation's schoolchildren. Nutritionists agree that milk is nature's most nearly perfect food. I feel it is vitally important for the children of our country to be provided with a sufficient amount of wholesome milk in order to strengthen their bodies as they grow to maturity and take their rightful places in our democratic society.

This can hardly be accomplished unless sufficient funds are made available so the children's milk program can keep pace with rising school enrollment as well as encouraging additional schools to join this worthwhile program. For a school which is considering taking part in the children's milk program, nothing could be more discouraging than the fear that the funds for the program might run out in the middle of the school year—or the fear that the reimbursement rate to the schools might be cut.

At the present time, the Federal Government's maximum reimbursement rate to schools which offer milk to children as a separately priced item is 4 cents per half-pint in schools serving type A lunches under the national school program. In schools serving milk but not the lunches, the maximum reimbursement rate is 3 cents per half pint.

Mr. Speaker, I was very disturbed to learn that the funds now authorized for the children's milk program for the 1959-60 school year will not be sufficient to cover the increased number of children and schools participating in the program. As a result, the U.S. Department of Agriculture has announced that, effective March 1, 1960, the maximum reimbursement rate will be cut by half a cent per half pint of milk in both categories.

If the reimbursement rate to schools goes down, naturally the price the school children or the school districts have to pay for the milk will go up. This will result in a decrease in milk consumption in the schools, particularly among children from low-income families. And they are the children who need the milk the most because they are very likely not getting enough milk at home.

These are not mere conjectures on my part. During the first year the children's milk program was in operation, numerous federally financed research projects were undertaken to discover problems which might hinder the rapid and effective expansion of the program and to explore new and effective ways of increasing milk consumption.

In my home State of Wisconsin, we cooperated in the study of price reduction. The Wisconsin experiment proved conclusively that: First, reduced prices resulted in increased numbers of children drinking milk at school; second, the greater the price reduction, the greater was the increase in consumption; and third, the increased milk consumption at school was new consumption, not a replacement of home consumption.

Mr. Speaker, another study conducted in St. Louis, Mo., during the 1955-56 school year shows beyond a shadow of a doubt that children from low-income families would be hardest hit by an increase in the amount of money they have to pay for milk at school. When the Federal reimbursement to the schools participating in the children's milk program was applied toward the reduction of the price of milk to the children, the pupils in the low-income districts increased milk consumption by 171 percent. Milk consumption by children in the middle-income districts went up 157 percent, but the increase by pupils in the high-income areas was only 44 percent.

We are lucky to live in a land which is blessed with an abundance of food. But this blessing of abundance carries with it a large responsibility. There is little excuse for malnutrition in this country, and even less excuse when it comes to our children. I would not have it on my conscience that I deprived any school kids of needed milk through short-sighted economy. I am sure my colleagues share my feelings and will support my bill to increase the funds for the children's milk program so it can continue the job it has been doing so well.

But I can say that in that period his demeanor and work made it obvious that his death is a great loss to his district, State, and Nation. I pay tribute to him as a man of devotion to his country who in the space of a year won the esteem of his colleagues and promised to be a great legislator.

STEVEN CARTER served his Nation in many ways: as an officer in the U.S. Navy, as a leader in Boy Scout work, as an active layman in the Christian Church, and as a citizen fulfilling civic responsibility. For 10 years prior to his election he was a worker in the political activity of his district.

I think he will be long remembered here despite his short tenure; and that memory will be one of a fine, outstanding American who gave great service to his Nation. I extend to his family my deepest sympathy for their great loss.

Problems Facing the Congress

EXTENSION OF REMARKS OF

HON. LEONARD G. WOLF

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 7, 1960

Mr. WOLF. Mr. Speaker, much has been printed in newspapers and periodicals since the first of the year heralding a booming, exciting and progressive 10-year period in our future. We hope that all the good predictions will come true. But, I submit, Mr. Speaker, that before we can go forward with a new blueprint for the sixties, we must finish some of those tasks left undone in the last decade. In this session of Congress we must not let ourselves be sidetracked by false issues.

Some of the issues with which we must deal effectively are social security, agriculture and food for peace, interest rates and fiscal policy, education and school construction grants, and re-evaluation of our defense programs. My views on these problems are outlined below:

1. SOCIAL SECURITY

In my travels through the district, I was struck with the fact that far too many of our older people—those who have made this society great—are not enjoying the wealth and prosperity of our society. We must drastically revise our present social security laws to enable our older citizens who desire to work to be given the chance to work without being penalized. It is becoming increasingly obvious that some form of national health insurance scheme must be worked out which will help all of our older citizens. For example, there are some 4 or 5-million people over age 65 and women over age 62 who are not eligible for social security benefits, although they have contributed to the system for many years, and although they are incapacitated for life. I believe that the present requirement that one must have worked under social security for a least 5 years out of

The Late Steven V. Carter

SPEECH OF

HON. CARL ELLIOTT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 6, 1960

Mr. ELLIOTT. Mr. Speaker, I did not know STEVEN CARTER for a long time. He sat in this body for a single session.

86TH CONGRESS
2D SESSION

H. R. 9496

IN THE HOUSE OF REPRESENTATIVES

JANUARY 11, 1960

Mr. JENNINGS introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to con-
4 tinue the special milk program for children in the interest of
5 improved nutrition by fostering the consumption of fluid milk
6 in schools", approved July 1, 1958, as amended (7 U.S.C.,
7 sec. 1446 note), is amended to read as follows: "That for
8 the fiscal year beginning July 1, 1959, not to exceed \$85,-
9 000,000, and for the fiscal year beginning July 1, 1960, not
10 to exceed \$90,000,000, of the funds of the Commodity Credit

1 Corporation shall be used to increase the consumption of
2 fluid milk by children (1) in nonprofit schools of high-school
3 grade and under; and (2) in nonprofit nursery schools,
4 child-care centers, settlement houses, summer camps, and
5 similar nonprofit institutions devoted to the care and train-
6 ing of children.”

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

By Mr. JENNINGS

JANUARY 11, 1960

Referred to the Committee on Agriculture

86TH CONGRESS
2D SESSION

H. R. 9498

IN THE HOUSE OF REPRESENTATIVES

JANUARY 11, 1960

Mr. KASTENMEIER introduced the following bill; which was referred to the
Committee on Agriculture

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to con-
4 tinue the special milk program for children in the interest of
5 improved nutrition by fostering the consumption of fluid milk
6 in schools", approved July 1, 1958, as amended (7 U.S.C.
7 sec. 1446 note), is amended to read as follows: "That for
8 the fiscal year beginning July 1, 1959, not to exceed \$85,-
9 000,000, and for the fiscal year beginning July 1, 1960, not
10 to exceed \$90,000,000, of the funds of the Commodity Credit

1 Corporation shall be used to increase the consumption of
 2 fluid milk by children (1) in nonprofit schools of high-school
 3 grade and under; and (2) in nonprofit nursery schools, child-
 4 care centers, settlement houses, summer camps, and similar
 5 nonprofit institutions devoted to the care and training of
 6 children."

86TH CONGRESS
 2D Session

H. R. 9498

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

By Mr. KASTENMEIER

JANUARY 11, 1960

Referred to the Committee on Agriculture

110th Congress
H. R. 9553

IN SENATE, JUNE 11, 2015

COMMITTEE ON

ARMED SERVICES

A BILL

To amend the Internal Security laws, and for other purposes

1

2

86TH CONGRESS
2D SESSION

H. R. 9553

IN THE HOUSE OF REPRESENTATIVES

JANUARY 12, 1960

Mr. ROOSEVELT introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to con-
4 tinue the special milk program for children in the interest of
5 improved nutrition by fostering the consumption of fluid milk
6 in schools", approved July 1, 1958, as amended (7 U.S.C.,
7 sec. 1446 note), is amended to read as follows: "That for
8 the fiscal year beginning July 1, 1959, not to exceed \$85,-
9 000,000, and for the fiscal year beginning July 1, 1960, not
10 to exceed \$90,000,000, of the funds of the Commodity Credit

1 Corporation shall be used to increase the consumption of
 2 fluid milk by children (1) in nonprofit schools of high-school
 3 grade and under; and (2) in nonprofit nursery schools, child-
 4 care centers, settlement houses, summer camps, and similar
 5 nonprofit institutions devoted to the care and training of
 6 children."

96TH CONGRESS
 2D SESSION

H. R. 9553

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

By Mr. ROOSEVELT

JANUARY 12, 1960

Referred to the Committee on Agriculture

86TH CONGRESS
2D SESSION

S. 2797

IN THE SENATE OF THE UNITED STATES

JANUARY 13, 1960

Mr. WILEY introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

A BILL

To increase and extend the special milk program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of Public Law 85-478 (72 Stat.
4 276), as amended, is further amended to read as follows:
5 "That for the fiscal year beginning July 1, 1958, not to
6 exceed \$78,000,000, and for the fiscal year beginning July
7 1, 1959, not to exceed \$85,000,000, and for the fiscal year
8 beginning July 1, 1960, and for each fiscal year thereafter,
9 not to exceed \$90,000,000 of the funds of the Commodity
10 Credit Corporation shall be used to increase the consumption
11 of fluid milk by children (1) in nonprofit schools of high

1 school grade and under; and (2) in nonprofit nursery
 2 schools, child-care centers, settlement houses, summer camps,
 3 and similar nonprofit institutions devoted to the care and
 4 training of children.”

86TH CONGRESS
 2D SESSION

S. 2797

A BILL

To increase and extend the special milk
 program.

By Mr. WILEY

JANUARY 13, 1960

Read twice and referred to the Committee on
 Agriculture and Forestry

EXHIBIT A

*Municipal financial support of certain artistic and cultural activities in selected U.S. cities, a compilation of answers to a questionnaire—Con**

City	Amount of municipal financial support	Source of municipal financial support	Type of activity supported
Norfolk, Va.	\$2,000.	General revenue.	Norfolk Symphony Orchestra.
Oakland, Calif.	\$69,083.	do.	Norfolk Museum of Arts and Sciences.
	1958-59:		
	Salaries for a professional staff of 6 plus \$2,000 allowance for books and \$500 for pictures.	Annual appropriations by city council to library department from which library and museums commission adopts an operating budget.	Art and pictures department of main library.
	\$70,377.	do.	Oakland Public Museum.
	\$57,212.	do.	Art Museum.
	\$31,577.	do.	Snow Museum.
Philadelphia, Pa.	\$25,000.	General revenues.	Academy of Fine Arts.
	\$75,000.	do.	Robin Hood Dell.
	\$25,000.	do.	Philadelphia Grand Opera.
	\$624,760.	do.	Philadelphia Art Museum and Rodin Museum.
	\$30,000.	do.	Johnson paintings.
	\$10,000.	do.	Philadelphia Art Festival (every 2 years).
Pittsburgh, Pa.	\$35,000 (1959)	General revenues (through specific appropriations each year).	Pittsburgh Symphony.
	\$20,000 to \$30,000 (annually). ²	do.	Free summer band concerts.
	\$25,000 (approximate cost to city annually).	do.	Arts and Crafts Center.
Providence, R.I.	Current appropriations:		
	\$24,877.	General revenue.	Museum in Roger William Park.
	\$1,500.	do.	Band concerts.
Reading, Pa.	\$140,000 (approximate expenditures for 1959)	General revenues (budgeted annually according to estimated needs).	Recreation Bureau (sponsors orchestra, Nature Museum, etc.).
	\$3,028 (1959).	do.	Bureau of parks weekly band concerts.
Richmond, Va.	\$5,000.	Direct appropriation.	Valentine Museum.
Rochester, N.Y.	1959-60 expenditures:		
	\$10,000.	General revenues or real estate taxes.	Civic Music Association.
	\$20,000.	do.	"Opera Under the Stars."
	Not indicated.	Not indicated.	Museum.
Sacramento, Calif.	1959-60 budget amounts:		
	\$4,500.	General ad valorem taxes.	Philharmonic Orchestra.
	\$4,000.	do.	Park band concerts.
	\$66,866.	do.	Crocker Art Gallery (city-owned).
	\$17,000.	do.	Children's art and dancing classes (city recreation department).
St. Louis, Mo.	1958 Revenue: \$320,007.53.	Permanent levy of \$0.02 per \$100 valuation on all real and personal property (established under State law in 1907).	St. Louis Art Museum.
St. Paul, Minn.	1959 city budget appropriations:		
	\$13,500.	Appropriations "financed as part of the overall city budget."	St. Paul Gallery and School of Art.
	\$10,000.	do.	St. Paul Civic Opera.
San Antonio, Tex.	\$81,000 (approximate budget for ensuing year).	Supported primarily by general fund.	Witte Museum.
	\$81,000.	do.	2 municipal auditoriums.
	\$1,500.	do.	San Pedro Playhouse (auditorium devoted primarily to theatrical productions).
San Diego, Calif.	1959-60 city budget:		
	\$57,159.	General revenues.	Fine Arts Gallery.
	\$19,239.	do.	Serra Museum (local history).
	\$48,715.	do.	Natural History Museum.
	\$45,949.	do.	Museum of Man (anthropology).
	\$10,000.	do.	San Diego Symphony.
San Francisco, Calif.	1958-59 budget:		
	\$158,365 (taxes, \$120,665; other, \$37,700).	Budget of the city and county of San Francisco.	Art commission.
	\$35,493 (taxes).	do.	War Memorial Art Museum.
	\$255,456 (taxes, \$254,856; other, \$600).	do.	California Palace of the Legion of Honor (art museum).
	\$367,942 (taxes, \$367,692; other, \$250).	do.	De Young (art) Museum.
Scranton, Pa.	An average of about \$28,740 per annum over the past 10 years.	General funds.	Everhart Museum.
Seattle, Wash.	\$233.37.	City's annual budget funds without regard to income source.	Art commission.
	\$34,097.55.	do.	Art museum.
	\$18,000.	do.	Public music.
	\$62,743.57.	do.	Art division of the library department.
Springfield, Mass. ²	\$33,127.93.	General tax revenues.	Museum of Natural History.
	\$31,092.45.	do.	George Walter Vincent Smith Museum.
	\$18,161.40.	do.	William Pynchon Memorial (Connecticut Valley Historical Museum).
	\$1,267.	do.	Springfield Museum of Fine Arts.
	Not indicated.	do.	Fine arts department of library.
Syracuse, N.Y.	\$25,000 appropriation annually.	General tax levy.	Syracuse Museum of Fine Arts (privately chartered institution).

² Included in the library budget is the position of musical adviser, which is the way in which the city contributes to the salary of the conductor of the Springfield Symphony Orchestra.

Compiled by Anne M. Finnegan and Helen A. Miller, Education and Public Welfare Division, Legislative Reference Service, Library of Congress, July 29, 1959.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent that two letters to the editor, which appeared in the Washington Evening Star of December 23, 1959, and which deal with this subject, be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DISTRICT OF COLUMBIA SHORTCHANGING ITSELF ON CULTURE?

I want to commend the Star for the excellent article about the Corcoran Gallery of Art by John McKelway on Sunday, December 13. It is good to have the Star assure us that the Corcoran is vigorously alive on its 100th birthday and looking forward to its

second century of service in art and the associated field of education.

But, naturally, along with many other people, it is Mr. McKelway's discussion of what will be needed during these coming years that holds my deepest concern.

To begin with, one point should be fully understood. It is useless and, indeed, misleading to compare the income of the National Gallery of Art with that of the Corcoran. These two great galleries represent two quite different setups. The National Gallery is federally owned and largely federally supported; the Corcoran is not and never has been, nor did William Wilson Corcoran intend that the gallery which bears his name would be a Federal Government institution.

The comparison, rather, should be between the Corcoran and, say, New York's Metro-

politan Museum of Art, and with other municipal museums throughout the country. These museums are greatly assisted by municipal tax funds and couldn't continue to remain open without such financial assistance.

According to a recent study made by the Library of Congress for Representative HARRIS B. McDOWELL, Jr., Democrat, of Delaware, included in the CONGRESSIONAL RECORD, September 14, 1959, this city spends far less on cultural activities than any of the other 38 cities surveyed. Our budget for the fine arts is only \$16,000, as compared with New York's \$2,600,000, Philadelphia's \$824,000, and Baltimore's \$448,500.

Why, Hagerstown, Md., gives its Museum of Fine Arts \$12,500, which is provided out of its regular annual budget, only \$3,500 less than the entire amount the Nation's Capital

spends out of its more than \$200 million budget.

The Star says the Corcoran Gallery needs a little outside help. No, what it needs is inside help, and judging from Mr. McKelway's remarks about lack of heat, of air conditioning, and of peeling walls and canceled exhibitions, more than a little help is needed.

Representative McDOWELL has introduced a bill to provide 1 mill out of each tax dollar for art and music programs. The bill is co-sponsored on a bipartisan basis by Representative CARROLL D. KEARNS, Republican, of Pennsylvania; Representative JOHN R. FOLEY, Democrat, of Maryland; and Senator JAMES E. MURRAY, Democrat, of Montana. Also, the intent of this bill has the support of a wide range of groups including the American Federation of Musicians, the AFL-CIO, and even the Washington Board of Trade.

The plan suggested in this bill is one currently in use in scores of cities where their appreciation of the value of their art galleries, museums, and symphony orchestras produces significant civic support and action. Why should not such help be sought, and given, by Washington, D.C.?

We need not try to compete with the ancient capitals of Europe and Russia. We are still in the process of making our world. But let us compete with our fellow American cities so we can take our proper place in the growing cultural life of these United States.

HORTENSE AMRAM.

The Star's Sunday feature article, "The Corcoran, at 100, Is Still Looking Ahead," is commendable, but the Corcoran Gallery should have been compared, not with the National Gallery of Art, but with the Nation's local, city-aided museums and galleries.

The Star points out that the National Gallery receives a yearly grant from the Federal Government of \$1,853,000. This is true, but information on the amount of financial support given local museums by U.S. cities would have been more apropos and significant—and helpful.

Baltimore contributes \$303,000 to the Walters Art Gallery; Buffalo gives \$73,430 to the Albright Art Gallery; Chicago gives the Art Institute of Chicago \$232,405; Dallas gives its Fine Arts Museum \$80,000; Houston its Museum of Fine Arts \$20,000; Kansas City its Nelson Art Gallery \$21,211; Newark (N.J.) gives the Newark Museum \$525,426; New Orleans gives its Delgado Museum of Art \$40,000; New York gives the Metropolitan Museum of Art the magnificent sum of \$1,849,514; Norfolk gives its Museum of Art \$69,083. Philadelphia gives the Philadelphia Art Museum \$624,760; Pittsburgh gives its Arts and Crafts Center \$25,000; St. Louis gives its Art Museum \$320,007; San Diego gives its Fine Arts Gallery \$57,159. San Francisco, with a population of 775,000, gives its three city-aided art museums a grand total of \$658,891.

Washington, D.C., with a population greater by 100,000, and one of the wealthiest cities in the United States per capita, doesn't give its splendid local art museums, such as the Corcoran Gallery, one red cent.

The District of Columbia Commissioners have requested \$10,000 for the Watergate Concerts for the past 2 years and Congress has gladly appropriated this sum. There is every reason for believing that if the Commissioners requested an equal or greater sum for the Corcoran Gallery from local tax revenues Congress would gladly appropriate this also.

It is high time the Commissioners displayed a concern for cultural matters at least equal to that of other U.S. city governing groups.

WILLIAM A. GRANT,
National Committeeman, Young Democratic Club of the District of Columbia.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2796) to provide for the adoption in the Nation's Capital of the practice common to many other cities in the United States with regard to cultural activities by depositing in a special fund 1 mill out of each \$1 of tax revenue of the government of the District of Columbia to be used for the National Symphony Orchestra, the Corcoran Gallery of Art, and other nonprofit art programs of the District of Columbia, and for other purposes, by amending the act of April 29, 1942, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on the District of Columbia.

EXPANSION OF SPECIAL SCHOOL MILK PROGRAM

Mr. WILEY. Mr. President, I introduce, for appropriate reference, a bill to improve and expand the special school milk program.

Generally, the bill would increase funds available as follows: The allowable \$81 million for fiscal year 1960 would be increased to \$85 million; for fiscal year 1961 and successive years, \$90 million would be made available.

The proposal, too, would establish the special milk program on a permanent basis.

Overall, this program has provided a constructive outlet for surplus milk, as well as made a real contribution to better health of the children of America.

In fiscal year 1959, over 2.2 billion half pints of milk were distributed to children in nursery schools, child care centers, summer camps, and similar nonprofit institutions devoted to the care and training of children.

As I understand, funds for the current year are running low. Although the Department may not spend more than the allowable \$81 million, the administration of the program requires elbow room for its operations. Unless additional funds are provided, the Department of Agriculture informs me that there will need to be cutbacks in the program beginning March 1, 1960.

Fortunately, a subcommittee of the House Agriculture Committee has scheduled hearings next week on this situation. I would respectfully urge that the Senate committee consider the recommendations in this bill as early as possible.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2797) to increase and extend the special milk program, introduced by Mr. WILEY, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

COMMISSION TO STUDY COMPENSATION FOR LAND CONDEMNED UNDER FEDERAL PROGRAMS

Mr. SPARKMAN. Mr. President, in recent years the Federal Government has instituted programs under which millions of acres of land have been acquired from private owners. While much of the land has been acquired by purchase, a great deal has been acquired through

condemnation proceedings; and in the cases in which voluntary sales were effected, the threat of condemnation proceedings was in the background.

These Federal programs include some in which Federal agencies use the land directly—for example, in the military programs; in other cases, the land is owned by State or local agencies—for example, in most road programs; and, in other cases, the land may be resold for private use—for example, in the urban renewal program. But regardless of these differences in the purpose of the taking or the use to which the land is put, the individual or business dispossessed or otherwise affected by the acquisition suffers the same loss.

Probably the biggest acquisition program has been that of the military. I am advised that in 1940, the War and Navy Departments used about 2½ million acres of land. By the close of the war, these two Departments had the use of 52 million acres—about equal in size to Kansas or Utah.

By June 30, 1955, the land used for military purposes by the Army, the Navy, the Air Force, and the AEC, amounted to more than 23 million acres—about the size of Indiana, Virginia, Kentucky, or Tennessee. Other Federal programs have acquired or are acquiring substantial amounts of land.

In the urban renewal program under title I of the Housing Act of 1949, the first 400 projects have called for the clearance of about 15,000 acres, not including streets and alleys. Unlike much of the land used for military programs, these 15,000 net acres are located in urban areas, and consist mostly of developed land. The Federal highway programs also call for the acquisition of large areas, including both expensive developed land in cities, and farmland and wasteland outside cities. For the Interstate Highway System, \$621 million—of which the Federal share will be \$418 million—is authorized for the acquisition of rights-of-way during the fiscal year 1959. Under the regular Federal highway programs, \$126 million—of which the Federal share will be \$65 million—is authorized for acquisition of rights-of-way during the fiscal year 1959. Other Federal programs, such as the public works programs, involve the acquisition of large areas.

The acquisition of land in this volume is very different from the Federal acquisition of land during the 19th century, or even during the 20th century, up to World War II. The problems created when, under Federal programs, thousands of acres of land is acquired in rural areas, or scores of acres are acquired in developed urban areas, are different, both in kind and in degree, from the problems created in earlier days, when Federal acquisitions of land amounted merely to taking enough land for the construction of a post office, an arsenal, or even an army post. And the problem becomes particularly acute when an urban-renewal project cleans out an entire section of town—the houses, stores, office buildings, movie theaters, banks, churches, and all other structures.

The Banking and Currency Committee has heard testimony which has set

H. R. 9633

THE FISH AND WILDLIFE SERVICE

UNITED STATES DEPARTMENT OF THE INTERIOR

BEFORE THE HOUSE OF REPRESENTATIVES
IN SENATE JUNE 1, 1934

A BILL

TO amend the act relating to the Fish and Wildlife Service, approved June 1, 1934, and to amend the act relating to the Fish and Wildlife Service, approved June 1, 1934.

1. That the Fish and Wildlife Service be organized as follows:
2. That the Fish and Wildlife Service be organized as follows:
3. That the Fish and Wildlife Service be organized as follows:
4. That the Fish and Wildlife Service be organized as follows:

86TH CONGRESS
2D SESSION

H. R. 9633

IN THE HOUSE OF REPRESENTATIVES

JANUARY 14, 1960

Mr. HAGEN introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to con-
4 tinue the special milk program for children in the interest of
5 improved nutrition by fostering the consumption of fluid milk
6 in schools", approved July 1, 1958, as amended (7 U.S.C.,
7 section 1446 note), is amended to read as follows: "That for
8 the fiscal year beginning July 1, 1959, not to exceed \$85,-
9 000,000, and for the fiscal year beginning July 1, 1960, not
10 to exceed \$90,000,000, of the funds of the Commodity Credit

1 Corporation shall be used to increase the consumption of
 2 fluid milk by children (1) in nonprofit schools of high-school
 3 grade and under; and (2) in nonprofit nursery schools,
 4 child-care centers, settlement houses, summer camps, and
 5 similar nonprofit institutions devoted to the care and train-
 6 ing of children.”

86TH CONGRESS
 2D SESSION

H. R. 9633

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

By Mr. HAGEN

JANUARY 14, 1960

Referred to the Committee on Agriculture

86TH CONGRESS
2D SESSION

S. 2848

IN THE SENATE OF THE UNITED STATES

JANUARY 18, 1960

MR. RANDOLPH (for himself and Mr. BYRD of West Virginia) introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to
4 continue the special milk program for children in the interest
5 of improved nutrition by fostering the consumption of fluid
6 milk in schools", approved July 1, 1958, as amended (7
7 U.S.C. 1446, note), is amended to read as follows: "That
8 for the fiscal year beginning July 1, 1959, not to exceed
9 \$85,000,000, and for the fiscal year beginning July 1,
10 1960, not to exceed \$90,000,000, of the funds of the Com-

1 modify Credit Corporation shall be used to increase the
 2 consumption of fluid milk by children (1) in nonprofit
 3 schools of high-school grade and under; and (2) in non-
 4 profit nursery schools, child-care centers, settlement houses,
 5 summer camps, and similar nonprofit institutions devoted
 6 to the care and training of children."

90TH CONGRESS
 2D SESSION

S. 2848

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

By Mr. RANDOLPH and Mr. BYRD of West
 Virginia

JANUARY 18, 1960

Read twice and referred to the Committee on
 Agriculture and Forestry

86TH CONGRESS
2D SESSION

H. R. 9677

IN THE HOUSE OF REPRESENTATIVES

JANUARY 18, 1960

Mr. COHELAN introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to con-
4 tinue the special milk program for children in the interest of
5 improved nutrition by fostering the consumption of fluid milk
6 in schools", approved July 1, 1958, as amended (7 U.S.C.
7 1446 note), is amended to read as follows: "That for
8 the fiscal year beginning July 1, 1959, not to exceed \$85,-
9 000,000, and for the fiscal year beginning July 1, 1960, not
10 to exceed \$90,000,000, of the funds of the Commodity Credit

1 Corporation shall be used to increase the consumption of
2 fluid milk by children (1) in nonprofit schools of high-school
3 grade and under; and (2) in nonprofit nursery schools,
4 child-care centers, settlement houses, summer camps, and
5 similar nonprofit institutions devoted to the care and train-
6 ing of children.”

86TH CONGRESS
2D SESSION

H. R. 9677

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

By Mr. COHELAN

JANUARY 18, 1960

Referred to the Committee on Agriculture

86TH CONGRESS
2D SESSION

H. R. 9688

IN THE HOUSE OF REPRESENTATIVES

JANUARY 18, 1960

Mr. McFALL introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to con-
4 tinue the special milk program for children in the interest of
5 improved nutrition by fostering the consumption of fluid milk
6 in schools", approved July 1, 1958, as amended (7 U.S.C.
7 1446 note), is amended to read as follows: "That for
8 the fiscal year beginning July 1, 1959, not to exceed \$85,-
9 000,000, and for the fiscal year beginning July 1, 1960, not
10 to exceed \$90,000,000, of the funds of the Commodity Credit

1 Corporation shall be used to increase the consumption of
 2 fluid milk by children (1) in nonprofit schools of high-school
 3 grade and under; and (2) in nonprofit nursery schools,
 4 child-care centers, settlement houses, summer camps, and
 5 similar nonprofit institutions devoted to the care and training
 6 of children."

86TH CONGRESS
 2D SESSION

H. R. 9688

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

By Mr. McFALL

JANUARY 18, 1960

Referred to the Committee on Agriculture

86TH CONGRESS
2D SESSION

H. R. 9690

IN THE HOUSE OF REPRESENTATIVES

JANUARY 18, 1960

Mr. McGovern introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To increase and extend the special milk program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of Public Law 85-478 (72 Stat.
4 276), as amended, is further amended to read as follows:
5 “That for the fiscal year beginning July 1, 1958, not to ex-
6 ceed \$78,000,000, and for the fiscal year beginning July 1,
7 1959, not to exceed \$85,000,000, and for the fiscal year
8 beginning July 1, 1960, and for each fiscal year thereafter,
9 not to exceed \$90,000,000 of the funds of the Commodity
10 Credit Corporation shall be used to increase the consumption
11 of fluid milk by children (1) in nonprofit schools of high

1 school grade and under; and (2) in nonprofit nursery
2 schools, child-care centers, settlement houses, summer camps,
3 and similar nonprofit institutions devoted to the care and
4 training of children.”

86TH CONGRESS
2D Session

H. R. 9690

A BILL

To increase and extend the special milk
program.

By Mr. McGovern

JANUARY 18, 1960

Referred to the Committee on Agriculture

86TH CONGRESS
2D SESSION

H. R. 9694

IN THE HOUSE OF REPRESENTATIVES

JANUARY 18, 1960

Mr. CLEM MILLER introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to con-
4 tinue the special milk program for children in the interest of
5 improved nutrition by fostering the consumption of fluid milk
6 in schools", approved July 1, 1958, as amended (7 U.S.C.,
7 section 1446 note), is amended to read as follows: "That for
8 the fiscal year beginning July 1, 1959, not to exceed \$85,-
9 000,000, and for the fiscal year beginning July 1, 1960, not
10 to exceed \$90,000,000, of the funds of the Commodity Credit

1 Corporation shall be used to increase the consumption of
2 fluid milk by children (1) in nonprofit schools of high-school
3 grade and under; and (2) in nonprofit nursery schools,
4 child-care centers, settlement houses, summer camps, and
5 similar nonprofit institutions devoted to the care and train-
6 ing of children.”

86TH CONGRESS
2D SESSION

H. R. 9694

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

By Mr. CLEM MILLER

JANUARY 18, 1960

Referred to the Committee on Agriculture

86TH CONGRESS
2D SESSION

H. R. 9699

IN THE HOUSE OF REPRESENTATIVES

JANUARY 18, 1960

Mr. SAUND introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to con-
4 tinue the special milk program for children in the interest of
5 improved nutrition by fostering the consumption of fluid milk
6 in schools", approved July 1, 1958, as amended (7 U.S.C.
7 1446 note), is amended to read as follows: "That for
8 the fiscal year beginning July 1, 1959, not to exceed \$85,-
9 000,000, and for the fiscal year beginning July 1, 1960, not
10 to exceed \$90,000,000, of the funds of the Commodity Credit

1 Corporation shall be used to increase the consumption of
 2 fluid milk by children (1) in nonprofit schools of high-school
 3 grade and under; and (2) in nonprofit nursery schools,
 4 child-care centers, settlement houses, summer camps, and
 5 similar nonprofit institutions devoted to the care and training
 6 of children.”

86TH CONGRESS
 2D SESSION

H. R. 9699

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

By Mr. SAUND

JANUARY 18, 1960

Referred to the Committee on Agriculture

H. R. 9766

IN THE HOUSE OF REPRESENTATIVES

January 10, 1900

Mr. [Name] introduced the following bill for
enactment:

A BILL

To amend the act entitled "An act to provide for the
survey of the public lands in the State of Texas,
passed July 1, 1890," and for other purposes.

1. That the Secretary of the Interior be and he
2. is authorized to cause to be made a survey of the
3. public lands in the State of Texas, and to cause
4. to be made a map of the same, and to cause to be
5. made a report of the results of the survey, and to
6. cause to be made a report of the results of the survey,
7. and to cause to be made a report of the results of the survey,
8. and to cause to be made a report of the results of the survey,<

86TH CONGRESS
2D SESSION

H. R. 9766

IN THE HOUSE OF REPRESENTATIVES

JANUARY 20, 1960

Mr. CARNAHAN introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to con-
4 tinue the special milk program for children in the interest of
5 improved nutrition by fostering the consumption of fluid milk
6 in schools", approved July 1, 1958, as amended (7 U.S.C.,
7 sec. 1446 note), is amended to read as follows: "That for
8 the fiscal year beginning July 1, 1959, not to exceed \$85,-
9 000,000, and for the fiscal year beginning July 1, 1960, not
10 to exceed \$90,000,000, of the funds of the Commodity Credit

1 Corporation shall be used to increase the consumption of
 2 fluid milk by children (1) in nonprofit schools of high-school
 3 grade and under; and (2) in nonprofit nursery schools,
 4 child-care centers, settlement houses, summer camps, and
 5 similar nonprofit institutions devoted to the care and train-
 6 ing of children.”

86TH CONGRESS
 2D Session

H. R. 9766

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

By Mr. CARNAHAN

JANUARY 20, 1960

Referred to the Committee on Agriculture

86TH CONGRESS
2D SESSION

H. R. 9769

IN THE HOUSE OF REPRESENTATIVES

JANUARY 20, 1960

Mr. HECHLER introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to con-
4 tinue the special milk program for children in the interest of
5 improved nutrition by fostering the consumption of fluid milk
6 in schools", approved July 1, 1958, as amended (7 U.S.C.,
7 sec. 1446 note), is amended to read as follows: "That for
8 the fiscal year beginning July 1, 1959, not to exceed \$85,-
9 000,000, and for the fiscal year beginning July 1, 1960, not
10 to exceed \$90,000,000, of the funds of the Commodity Credit

1 Corporation shall be used to increase the consumption of
 2 fluid milk by children (1) in nonprofit schools of high-school
 3 grade and under; and (2) in nonprofit nursery schools,
 4 child-care centers, settlement houses, summer camps, and
 5 similar nonprofit institutions devoted to the care and train-
 6 ing of children."

86TH CONGRESS
 2D SESSION

H. R. 9769

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

By Mr. HECHLER

JANUARY 20, 1960

Referred to the Committee on Agriculture

86TH CONGRESS
2D SESSION

H. R. 9771

IN THE HOUSE OF REPRESENTATIVES

JANUARY 20, 1960

MR. JOHNSON of California introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to con-
4 tinue the special milk program for children in the interest
5 of improved nutrition by fostering the consumption of fluid
6 milk in schools", approved July 1, 1958, as amended (7
7 U.S.C. 1446 note), is amended to read as follows: "That
8 for the fiscal year beginning July 1, 1959, not to exceed
9 \$85,000,000, and for the fiscal year beginning July 1, 1960,
10 not to exceed \$90,000,000, of the funds of the Commodity

1 Credit Corporation shall be used to increase the consumption
 2 of fluid milk by children (1) in nonprofit schools of high-
 3 school grade and under; and (2) in nonprofit nursery
 4 schools, child-care centers, settlement houses, summer camps,
 5 and similar nonprofit institutions devoted to the care and
 6 training of children."

86TH CONGRESS
 2D Session

H. R. 9771

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

By Mr. JOHNSON of California

JANUARY 20, 1960

Referred to the Committee on Agriculture

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HIGHLIGHTS: House and Senate subcommittees voted to report bills to increase authorization for special milk program. Sen. Dirksen criticized Sen. Symington's farm bill. Sen. Murray criticized proposed budget to implement program for national forests. Sen. Wiley introduced and discussed measure to establish an Interdepartmental Committee on Surplus Farm Commodities.

SENATE

1. SPECIAL MILK PROGRAM. The Agricultural Production, Marketing, and Stabilization of Prices Subcommittee of the Agriculture and Forestry Committee voted to report to the full committee S. 2751, to increase the authorization for the special milk program. p. D35
2. BRUCELLOSIS ERADICATION. The "Daily Digest" states that a subcommittee of the Agriculture Committee "agreed to recommend that the full committee urge the Committee on Appropriations to appropriate \$20 million for the eradication of brucellosis." p. D35
3. FARM PROGRAM. Sen. Dirksen criticized Sen. Symington's "12-point package" farm bill, raised questions as to its workability and cost, stated that a number of the points are already a part of the administration farm program, and urged enactment of the administration's recommendations on wheat and the conservation reserve. pp. 972-3
4. FORESTRY; BUDGET. Sen. Murray criticized the 1961 budget as being inadequate to carry out the President's recommended program for the national forests, inserted a letter from the Secretary and testimony by Department officials last year favoring the program, and inserted tables on budgetary requirements for the program. pp. 982-8

5. TOBACCO. Sen. Neuberger criticized "the activities of certain tobacco interests to discredit medical findings of a casual relationship between cigarettes and lung cancer," urged the enactment of legislation to provide grants to States to inform "children in schools with respect to the harmful effects of tobacco, alcohol, and other potentially deleterious consumables," and inserted several articles on the subject. pp. 973-5
6. FOREIGN AID. Sen. McClellan submitted for printing the annual report of the Committee on Government Operations which, among other things, criticizes the foreign aid program in Bolivia as being wasteful. pp. 942-3
7. RECESSED until Mon., Jan. 25. p. 1011

HOUSE

8. SPECIAL MILK PROGRAM. The Dairy and Poultry Subcommittee of the Agriculture Committee voted to report with amendment H. R. 9331, to increase the authorization for the special milk program. p. D36

ITEMS IN APPENDIX

9. FOOD ADDITIVES. Extension of remarks of Sen. Curtis inserting an article discussing some of the problems with respect to food and food additives and suggesting that "first, we need a change in the Delaney amendment. Second, we need a change in the administrative setup. Third, farmers must absolutely follow labels -- the responsibility is on them, too." p. A608
10. RECREATION. Sen. Yarborough inserted 3 resolutions passed by Texas organizations favoring the establishment of a national seashore park on Padre Island. pp. A612-3

BILLS INTRODUCED

11. MINERALS. S. 2885, by Sen. Clark (for himself and others), to establish an Office of Coal Research within the Department of the Interior and to provide for and encourage research to determine improved means of producing and utilizing coal; to Interior and Insular Affairs Committee. Remarks of Sen. Clark. p. 944
12. SURPLUS COMMODITIES. S. J. Res. 153, by Sen. Wiley, to establish an Inter-departmental Committee on Utilization of Surplus Farm Commodities; to Agriculture and Forestry Committee. Remarks of author. pp. 945-6

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COMMITTEE HEARINGS ANNOUNCEMENTS:

- Jan. 25: National policy on natural resource development, S. Interior.
Feb. 4: Farm program, H. Agriculture (Secretary Benson to testify).

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For supplemental information or copies of legislative material referred to, call Ext. 4654 or send to Room 105-A.

Daily Digest

HIGHLIGHTS

Senate continued its work on bill to revise election laws.

See Congressional Program Ahead.

Senate

Chamber Action

Routine Proceedings, pages 941-975

Bills Introduced: 8 bills and 1 resolution were introduced, as follows: S. 2883-2890; and S.J. Res. 153.

Pages 943-944

Bills Reported: Reports were made as follows:

S. Res. 208, authorizing employment by Committee on Post Office and Civil Service of an additional clerk (S. Rept. 1036)—referred to Committee on Rules and Administration;

S. Res. 209, authorizing Committee on Post Office and Civil Service to make an investigation of the postal service (\$75,000) (S. Rept. 1037)—referred to Committee on Rules and Administration;

Report of Committee on Government Operations entitled "Rehabilitation of the Disabled in 37 Countries of the World" (S. Rept. 1038); and

Report entitled "Annual Report of the Committee on Government Operations," made by Permanent Subcommittee on Investigations (S. Rept. 1039). Pages 942-943

Resolutions Referred: Two House-passed concurrent resolutions were referred to appropriate committee.

Page 941

Election Laws: Senate continued its work on S. 2436, to revise the Federal election laws, adopting two amendments by Senator Dirksen (1) to make January 1, 1961, the effective date of the legislation rather than January 1, 1960, and (2) to provide that the legislation may be cited as the "Federal Elections Act of 1960" rather than of "1959."

Pending at adjournment was Keating amendment (to Long amendment requiring nomination of congressional candidates in State primaries) making invalid any nomination in a primary election if any duly qualified voter has been denied equal opportunity to register and vote.

Pages 988-1011

Program for Monday: Senate met at noon and adjourned at 5:24 p.m. until noon Monday, January 25, when it will continue on S. 2436, to revise election laws, to be followed by S. 694, juvenile delinquency control.

Pages 633, 1011

Committee Meetings

(Committees not listed did not meet)

SPECIAL SCHOOL MILK PROGRAM

Committee on Agriculture and Forestry: Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices ordered favorably reported to the full committee S. 2751, to increase authorized maximum expenditure for fiscal years 1960 and 1961 under the special school milk program for children.

Prior to this action, subcommittee held hearings on this and related bills (S. 2797 and S. 2848), with favoring testimony from Representative Johnson of Wisconsin; Clarence L. Miller, Assistant Secretary of Agriculture; Patrick B. Healy, National Milk Producers Federation; Hugh F. Hall, American Farm Bureau Federation; Rueben Johnson, National Farmers Union; John Perryman, American School Food Service Association, Denver; and Dr. Edgar Fuller, Council of Chief of State School Offices.

Also, the subcommittee agreed to recommend that the full committee urge the Committee on Appropriations to appropriate \$20 million for the eradication of brucellosis.

APPROPRIATIONS—PANAMA CANAL

Committee on Appropriations: Commerce Subcommittee held hearings on appropriations for the Canal Zone Government and the budget program for the Panama Canal Company, with testimony from Canal Zone Gov. W. E. Potter, who was accompanied by his associates.

BRIEFING BY NAVY

Committee on Armed Services: Committee, in executive session, received a briefing from Secretary of the Navy William B. Franke and Chief of Naval Operations Adm. Arleigh A. Burke, who were accompanied by their associates.

Committee will meet again on Tuesday, January 26, when they will receive a briefing from Air Force officials.

PACIFIC NORTHWEST ACCOUNT

Committee on Interior and Insular Affairs: Irrigation and Reclamation Subcommittee held hearings on S. 1388, to establish a Pacific Northwest Account relative to marketing of commercial hydroelectric power and assistance for irrigation potentials of the area, with Senators Murray, Neuberger, and Moss presiding. Testimony was heard from Senators Church and Morse; D. P. Fabrick, National Reclamation Association, Montana; L. E. Coles, National Reclamation Association, Carlos C. Randolph, North Unit Irrigation Madras, and Paul L. House, of the Owyhee project, Nyssa, all of the State of Oregon; Idaho State Senator George Crookham, of Caldwell; Gale Sterling, Kittitas Irrigation District, Ellensburg, Ken Billington, PUD Association, and Lorin W. Markham, of Spokane, all of the State of Washington; Floyd E. Dominy, N. B. Bennett, Jr., and J. Karl Lee, all of the Bureau of Reclamation; and Morgan D. Dubrow, Bonneville Power Administration.

Hearings were adjourned subject to call of the Chair.

JUVENILE DELINQUENCY—NARCOTICS

Committee on the Judiciary: Subcommittee on Juvenile Delinquency opened the Washington, D.C., phase of its narcotics study, having as its witnesses A. Gilmore Flues, Assistant Secretary of the Treasury, and Harry J. Anslinger, Commissioner of Narcotics, both of whose testimony related to jurisdictional activities of the Bureau of Narcotics and Bureau of Customs in regard to investigation of narcotics traffic.

Hearings will continue on Tuesday, January 26, when

further testimony will be received from these witnesses and Ralph Kelly, Commissioner of the Bureau of Customs.

DRUG INDUSTRY

Committee on the Judiciary: Antitrust and Monopoly Subcommittee continued its hearings on administered prices in the drug industry, receiving testimony from Mike Gorman, National Committee Against Mental Illness; Dr. Fritz Freyhan, Delaware State Hospital; Dr. Heinz Lehmann, Verdun Protestant Hospital, Montreal; and Dr. Henry Brill, Department of Mental Hygiene, New York.

Hearings continue on Monday, January 25.

COMMITTEE BUSINESS

Committee on Post Office and Civil Service: Committee, in executive session, ordered favorably reported S. Res. 208, authorizing continuation of employment of an additional clerk by the committee; S. Res. 209, authorizing \$75,000 for the continuation of certain studies by the committee; and the nominations of John M. McKibbin, to be Deputy Postmaster General, Bert B. Barnes, to be Assistant Postmaster General, Bureau of Operations, and George M. Moore, to be Assistant Postmaster General, Transportation.

Committee announced that Senator Fong had been assigned to membership on the Subcommittees on Civil Service and Health Benefits and Life Insurance, and that Senator Brunsdale had been assigned to membership on the Subcommittees on Retirement and Health Benefits and Life Insurance.

House of Representatives

Chamber Action

The House was not in session today. Its next meeting will be held on Monday, January 25, at 12 o'clock noon. For program see Congressional Program Ahead in this DIGEST.

Committee Meetings

SCHOOL MILK PROGRAM

Committee on Agriculture: Subcommittee on Dairy and Poultry ordered favorably reported to the full committee H.R. 9331 (amended), to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

U.S. MILITARY POSTURE

Committee on Armed Services: Continued executive briefings by Secretary of Defense Thomas S. Gates and Gen. Nathan F. Twining, Chairman, Joint Chiefs of

Staff, with respect to the U.S. military posture. Executive sessions resume on Monday, January 25.

FOREIGN AFFAIRS

Committee on Foreign Affairs: Met in executive session with Secretary of State Christian A. Herter and received briefing on current world situation. The Subcommittee on Inter-American Affairs also met in executive session with respect to the situation in Panama and heard testimony from Roy R. Rubottom, Assistant Secretary of State for Inter-American Affairs. The Subcommittee on International Organizations and Movements also met in executive session and heard State Department witnesses with respect to a briefing concerning European economic organizations.

AMERICAN INDIANS

Committee on Interior and Insular Affairs: Subcommittee on Indian Affairs held hearing but took no action on H.R. 1150, to authorize the partition or sale of in-

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HIGHLIGHTS: House subcommittee rereferred to the full committee bill to increase authorization for special milk program.

HOUSE

1. SPECIAL MILK PROGRAM. The "Daily Digest" states that the Dairy and Poultry Subcommittee of the Agriculture Committee "rereferred to the full committee H. R. 9331 (as previously amended on January 22), to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children." p. D57

SENATE

2. REPORTS. Received from GSA the annual report on its operations. p. 1429
3. FORESTRY. Received from Interior a proposed bill dealing with the sale of Indian timber; to Interior and Insular Affairs Committee. p. 1429
4. SOIL AND WATER RESEARCH. Received a S. C. Legislature resolution urging Congress "to appropriate sufficient funds to conduct basic and applied research at a research center to be established in the Pee Dee area of South Carolina on problems involved in the usage of soil and water resources in the middle Atlantic coastal areas." p. 1429
5. TRANSPORTATION. Received a resolution adopted by the public utilities commissioners of Me., N. H., Vt., Conn., R. I., and Mass., opposing the enactment of legislation "which would have the effect of authorizing the Interstate Commerce Commission to fix by penalty the compensation to be paid for the use of freight cars." p. 1431

6. NATURAL RESOURCES; ADMINISTRATIVE MANAGEMENT; MONOPOLIES; GOVERNMENT OPERATIONS. The Committee on Rules and Administration reported without amendment the following resolutions: p. 1432
- S. Res. 230, to authorize the Committee on Interior and Insular Affairs to investigate matters within its jurisdiction (S. Rept. 1067).
- S. Res. 234, to authorize a study of administrative practice and procedure in Government departments and agencies (S. Rept. 1051).
- S. Res. 238, to authorize an investigation of the antitrust and monopoly laws of the U. S. (S. Rept. 1054).
- S. Res. 246, to authorize an investigation of the efficiency and economy of operations of all branches of the Government (S. Rept. 1061).
7. MARKETING; MONOPOLIES. Sen. Mundt inserted a speech by Sigurd Anderson, Federal Trade Commissioner, before the American Marketing Association, "Federal Regulation of Competitive Practices," discussing the relationship of Federal regulation to the field of marketing. pp. 1442-4
8. ADJOURNED until Mon., Feb. 1. p. 1476

ITEMS IN APPENDIX

9. FARM PROGRAM. Extension of remarks of Rep. Johnson (Wis) inserting the results of an opinion poll and stating that "according to this poll, three problems loom largest in America's mind -- taxes, labor, and the farm situation." p. A764
10. ELECTRIFICATION. Extension of remarks of Sen. Aiken inserting an address by William R. Connole, FPC, "History Is Made By Fuels Like These," in which Mr. Connole urges the adoption of a national energy policy, "clearly stated, soberly arrived at and flexible enough that it can fit conditions reasonably foreseeable." pp. A767-9

BILLS INTRODUCED

11. TRANSPORTATION. S. 2935, by Sen. Magnuson (for himself and others), to amend the Interstate Commerce Act, as amended, so as to strengthen and improve the national transportation system, insure the protection of the public interest; to Interstate and Foreign Commerce Committee. Remarks of Sen. Magnuson. pp. 1433-6
12. PLANT RESEARCH. S. J. Res. 156, by Sen. Anderson (for himself and others), providing for a comprehensive program of research and experimentation for the purpose of investigating the growth of salt cedar and other phreatophytes, the hydrological and climatological factors influencing the use of water by such plants, and the various techniques for the eradication and control of such plants; to Agriculture and Forestry Committee. Remarks of Sen. Anderson. pp. 1436-7

COMMITTEE PRINT RECEIVED IN THIS OFFICE

13. FOREIGN TRADE; ECONOMIC POLICY. This office has received a few copies of a committee print of the Joint Economic Committee, International Effects of U. S. Economic Policy, prepared by Edward M. Bernstein in connection with the Committee's study of employment, growth, and price levels. The print includes a chapter on food and raw materials problems in international trade in which it is

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Wheat.....	16		
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HIGHLIGHTS: House Committee reported bill to revise laws on tobacco price supports. House committee reported and Rules Committee cleared bill to increase authorization for special milk program. House committee voted to report bill to exempt certain Calif. areas from durum wheat allotments and quotas.

SENATE

1. FORESTRY. Sen. Proxmire paid tribute to the 50th anniversary of the establishment of the National Forest Products Laboratory at Madison, Wisc., reviewed its accomplishments and future plans in forest research, and stated, "The history of accomplishments and a brief look into the future truly excites one's imagination for the future of timber as a raw material." pp. 1930-1
2. ITEM VETO; APPROPRIATIONS. Sens. Keating and Byrd urged enactment of legislation to give the President authority to veto individual items in appropriation bills, and Sen. Keating inserted the text of S. J. Res. 44 and S. 2373 which would provide this authority for the President. pp. 1841-2
3. ELECTRIFICATION; RUSSIAN AGRICULTURE. Sen. Fulbright inserted a statement by Clyde Ellis, general manager of the National Rural Electric Cooperative

Association, describing his recent trip to Russia, in which he described Russian achievements in the field of hydroelectric power as "spectacular," and Russian agriculture as "the weakest link in the Soviet economy." pp. 1857-9

4. NOMINATIONS. The Public Works Committee reported the nomination of Brooks Hays to be a member of the Board of Directors of TVA. p. 1813
5. TAXATION. Both Houses received from Treasury a proposed bill "to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates"; to S. Finance and H. Ways and Means Committees. pp. 1816, 1962
6. FIBERS; AUDITS. Both Houses received from GAO an audit report on the GSA abaca fiber program. pp. 1816, 1962
7. FEDERAL GRANTS-IN-AID. Sen. Byrd inserted a tabulation showing Federal grants in-aid to States and localities for fiscal 1959, including those of this Department. p. 1860
8. WILDLIFE IMPORTS. Both Houses received from Interior a proposed bill "to clarify certain provisions of the Criminal Code relating to the importation or shipment of injurious mammals, birds, amphibians, fish, and reptiles ... and relating to the transportation or receipt of wild mammals or birds taken in violation of State, national, or foreign laws"; to Judiciary Committees. pp. 1817, 1962
9. VOCATIONAL EDUCATION. Sen. Gruening inserted a tabulation of the amount of funds for "programs which the President has sent down to the Congress in recent years ... for education in foreign countries," including funds for vocational education in various countries. pp. 1873-82
10. PERSONNEL. Sen. Humphrey urged enactment of legislation to provide pay raises for Federal employees, and expressed "disappointment in the President's statement in his budget message that he did not intend to recommend a pay raise for postal and Federal employees." pp. 1934-5
11. LEGISLATIVE PROGRAM. Sen. Johnson announced that a number of resolutions providing for investigations by Senate committees would be considered on Mon., Feb. 8, and stated that "it is desired that the Congress adjourn in July." pp. 1924-5
12. ADJOURNED until Mon., Feb. 8. p. 1940

HOUSE

13. SPECIAL MILK. The Agriculture Committee reported with amendment, H. R. 9331, to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children (H. Rept. 1245). The Rules Committee reported a resolution providing for consideration and one hour debate on this bill (H. R. 9331). (p. 1962) As amended by the Committee the bill authorizes \$85 million, rather than \$90 million for the fiscal year 1961, and includes a section authorizing the additional expenditure of up to \$15 million "as may be deemed to be necessary" for the fiscal year 1961.

ADDITIONAL FUNDS FOR SCHOOL MILK PROGRAM

FEBRUARY 4, 1960.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

) Mr. COOLEY, from the Committee on Agriculture, submitted the following

R E P O R T

[To accompany H.R. 9331]

The Committee on Agriculture, to whom was referred the bill (H.R. 9331) to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children, having considered the same, report favorably thereon with amendments and recommend that the bill do pass.

The amendments are as follows:

Page 1, Line 10, strike out "\$90,000,000" and insert "\$85,000,000".

Page 2, following line 6, add the following new section:

SEC. 2. Such Act is further amended by adding after the first sentence thereof the following new sentence: "In addition to the funds hereinbefore made available, there is authorized to be appropriated for the purposes of this Act for the fiscal year beginning July 1, 1960, such amount as may be deemed to be necessary but not to exceed \$15,000,000."

PURPOSE OF THE BILL

The purpose of this bill is to authorize use of an additional \$4 million in funds of the Commodity Credit Corporation for the special school milk program for the current fiscal year and an additional \$1 million in CCC funds for the fiscal year ending June 30, 1961. This will bring the authorized use of such funds for the special school milk program up to \$85 million for each of the 2 fiscal years. In addition, the bill as amended will authorize appropriation for the fiscal year 1961 of up to \$15 million over and above the amount available from CCC.

HISTORY OF THE PROGRAM

The special milk program was first authorized in the revised dairy price support provisions of the Agricultural Act of 1954 which was enacted into law in August of that year. The details of the program were announced by the Department in early September, as schools were about to open for the fall term. Despite the short time available to State educational agencies and individual schools to lay plans for a new or enlarged milk service, over 41,000 schools entered the program that first year. Almost 450 million half pints were distributed under the program and expenditures totaled \$17.1 million.

The original program was limited to schools, and after consultation with both dairy and school officials, major modifications were made in the program for its second year of operation. These modifications were undertaken, first, to permit a more effective use of CCC funds in reducing prices to children and, second, to provide for additional simplifications in records and reports at the school level.

The modified program was immediately successful and the volume of milk moving under the program increased more than threefold in the second year—to almost 1.4 billion half pints. The number of schools increased from 41,000 to 62,000 and the expenditure of CCC funds rose from \$17.1 million to almost \$46 million in fiscal year 1956.

The program provisions for schools—where milk is sold as a separately priced item—has continued unchanged since the second year of operation. Within the maximum rates established by the Department, these schools are reimbursed for reducing the selling price to children below the cost of the milk and for the expenses they incur in distributing the milk (such as the purchase of milk service equipment, labor, straws, etc.). From the outset the maximum rate of reimbursement has been 4 cents per half pint for schools participating in the national school lunch program, but they do not receive any payment for the half pint of milk that is served as part of a type-A lunch. Schools not participating in the national school lunch program can receive up to 3 cents per half pint for the milk served to children.

The legislation passed in 1956, which continued the program through June 30, 1958, also extended it to nonprofit summer camps, settlement houses, and other child-care institutions. About 3,000 camps participated in the program last summer and reimbursements totaled about \$650,000. Although camp and institutional operations are small in relation to the school program, the program has made it possible for these groups to provide a much more adequate milk service for children.

The following table shows the growth of the program from its inception through fiscal year 1959. It is estimated that during the current fiscal year (1960) there are 83,300 schools and institutions participating in the program, and that they will use a total of 2,380 million half pints of milk at a total cost to the Federal Government of approximately \$82 million.

Special milk program participation and expenditures, 1955-59

	Schools, camps, etc., participating	Milk con- sumed (mil- lions of half pints)	Expenditures (millions of dollars)
1955-----	41,094	449.8	17.1
1956-----	62,266	1,394.2	45.9
1957-----	71,239	1,752.7	60.5
1958-----	76,478	1,918.2	66.3
1959-----	81,000	2,200	74.9

EXPANSION OF THE PROGRAM

When this program was started in the Agricultural Act of 1954, it was an outright price support measure. It has continued to serve that function and there is evidence that it has played an important and effective part in supporting milk prices to producers. It has utilized in a most acceptable and useful manner surplus milk that otherwise might have been acquired by CCC in the form of butter, cheese, or dried milk. During the operation of the program, however, it has been so generally and so enthusiastically accepted by parents, school officials, and nutritionists, that it has now taken on more of the aspects of a program devoted to the general welfare of the Nation's children than a program solely for price support purposes.

This is indicated by the continued growth of the program during the current year, at a time when the general level of milk prices is above the support level and when there is less demand or necessity for expansion of the program for price support purposes.

This expansion is clearly shown by the following table which compares daily expenditure of Federal funds under the special milk program, by States, for the 3 months September-November in the fiscal years 1959 and 1960. It seems clear to the committee that this expansion is to be attributed to the public demand for and acceptance of a child health and nutrition program rather than to the necessities of the price support program for milk.

Special milk program: Average daily expenditure of Federal funds, September–November, fiscal year 1960, compared with the same period in fiscal year 1959, by States.

State	Fiscal year 1959	Fiscal year 1960	Percent in- crease, 1960 over 1959
Alabama.....	\$7,054	\$7,996	13.4
Alaska.....	107	158	47.7
Arizona.....	2,747	3,218	17.1
Arkansas.....	4,154	4,193	.9
California.....	41,955	45,932	9.5
Colorado.....	3,472	3,883	11.8
Connecticut.....	4,771	5,455	14.3
Delaware.....	1,137	1,377	21.1
District of Columbia.....	2,064	2,276	10.3
Florida.....	7,845	8,146	3.8
Georgia.....	6,129	6,763	10.3
Hawaii.....	1,062	1,148	8.1
Idaho.....	1,071	1,130	5.5
Illinois ¹	31,514	33,562	6.5
Indiana.....	10,266	11,457	11.6
Iowa.....	9,219	9,909	7.5
Kansas.....	4,882	5,362	9.8
Kentucky.....	7,498	7,708	2.8
Louisiana.....	2,949	3,361	14.0
Maine.....	1,845	2,054	11.3
Maryland.....	8,508	9,145	7.5
Massachusetts.....	16,246	17,137	5.5
Michigan.....	24,935	29,197	17.1
Minnesota.....	12,926	13,778	6.6
Mississippi.....	6,175	7,143	15.7
Missouri.....	12,284	13,543	10.2
Montana.....	837	892	6.6
Nebraska.....	2,595	2,895	11.6
Nevada.....	426	484	13.6
New Hampshire.....	1,237	1,425	15.2
New Jersey.....	10,582	12,947	22.3
New Mexico.....	3,589	3,912	9.0
New York.....	47,725	51,688	8.3
North Carolina.....	8,060	8,645	7.3
North Dakota.....	1,500	1,695	13.0
Ohio.....	27,051	30,687	13.4
Oklahoma.....	5,188	5,476	5.6
Oregon.....	2,894	3,106	7.3
Pennsylvania.....	19,874	22,357	12.5
Rhode Island.....	1,841	2,100	14.1
South Carolina.....	3,596	3,689	2.6
South Dakota.....	2,304	2,588	12.3
Tennessee.....	9,719	9,739	.2
Texas.....	14,616	15,065	3.1
Utah.....	1,140	1,442	26.5
Vermont.....	865	856	-1.0
Virginia.....	8,837	9,318	5.4
Washington.....	7,123	7,639	7.2
West Virginia.....	2,459	2,666	8.4
Wisconsin.....	15,923	17,066	7.2
Wyoming.....	886	861	-2.8
Total.....	433,682	474,269	9.4

¹ Partially estimated.

MULTIPLE BENEFIT PROGRAMS CHARGED TO AGRICULTURE

The school milk program is typical of many programs which, in the public mind, are charged to the farmer and to farm programs although they are for the general welfare, for the protection of consumers, or of a kind conferring multiple benefits on the Nation at large. Other programs in this category are the school lunch program, meat and poultry inspection, food donation programs, and surplus disposal as a part of our foreign relations or mutual defense programs.

The following table, prepared by the Budget Office of the Department of Agriculture, shows a general breakdown between those expenditures of the Department of Agriculture which might properly be charged to the farm program and those which should properly be charged to the general welfare of the Nation.

PROGRAMS FOR MULTIPLE BENEFITS AND NOT DIRECTLY CHARGEABLE TO THE FARMER

[Millions of dollars]

	1960	1961
Programs having foreign relations and defense aspects including Public Law 480.....	1, 490	1, 508
Food distribution programs including commodity purchases under the program for removal of surplus agricultural commodities, school lunch, and school milk.....	342	342
Investment in REA and FHA loans which are subject to repayment.....	576	548
Long-range programs for the improvement of agricultural resources, including research, meat inspection, diseases and pest control, education, market development and services, protection of soil and water resources and forest and public land management.....	676	733
Total.....	3, 084	3, 131

PROGRAMS PREDOMINATELY FOR THE BENEFIT OF THE FARMER

Agricultural conservation program.....	244	233
Soil bank programs:		
Acreage reserve program.....	5	
Conservation reserve program.....	365	394
CCC price support, supply, and related programs, and National Wool Act and acreage allotments and marketing quotas.....	1, 934	2, 365
Sugar Act program.....	74	78
Total.....	2, 622	3, 070
Grand total.....	5, 706	6, 201

COMMITTEE AMENDMENT

The bill as introduced would have authorized use of an additional \$3 million in CCC funds for the special school milk program for the current fiscal year and an additional \$6 million for the fiscal year 1961, making a total authorization of \$85 million for fiscal 1960 and \$90 million for fiscal 1961.

The committee amendment reduces the authorized use of CCC funds for the 1961 program from \$90 million to \$85 million but provides that additional funds of not to exceed \$15 million may be appropriated for the 1961 program if needed.

The additional funds for the current fiscal year are needed at this time to prevent a reduction in the Federal rate of participation in the school milk program. Unless the additional funds are available, Federal support of the program will be reduced by one-half cent per half pint of milk on March 1. If the program continues to expand as anticipated, some appropriation in addition to the use of CCC funds authorized in the bill will be necessary for the fiscal year 1961. It is the committee's intention that the program should be expanded in 1961 if more schools and more schoolchildren desire to participate in it and that the rate of Federal participation should not be reduced. Although the amendment authorizes regular appropriations for such expansion, it does not foreclose this committee from again increasing authorization for use of CCC funds, should that become necessary.

HEARINGS

In addition to the bill reported herewith (H.R. 9331 by Mr. Johnson of Wisconsin) the Dairy and Poultry Subcommittee considered in its hearings the following similar bills: H.R. 9329 by Mr. Hogan; H.R. 9336 by Mrs. Pfoest; H.R. 9370 by Mr. Quie; H.R. 9469 by Mr. Wolf; H.R. 9496 by Mr. Jennings; H.R. 9498 by Mr. Kastenmeier; H.R. 9553

by Mr. Roosevelt; H.R. 9633 by Mr. Hagen; H.R. 9677 by Mr. Cohelan; H.R. 9688 by Mr. McFall; H.R. 9690 by Mr. McGovern; H.R. 9694 by Mr. Clem Miller, and H.R. 9699 by Mr. Saund.

At the hearings spokesmen for the general farm organizations, milk producers, State school officials, and local school officials participating in the school lunch program appeared in favor of the bill. There were no witnesses in opposition to the measure.

DEPARTMENTAL POSITION

In the hearings on the bill, the Department of Agriculture indicated that the additional funds authorized for the current fiscal year by the bill would be necessary if the current rates of reimbursement to schools are to continue in effect. As indicated by the following letter from the Acting Secretary of Agriculture, the Department has no objection to the bill as introduced.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., January 25, 1960.

HON. HAROLD D. COOLEY,
Chairman, Committee on Agriculture,
House of Representatives.

DEAR CONGRESSMAN COOLEY: This is in reply to your request for a report on H.R. 9331, a bill to increase the authorized expenditure of funds under the special milk program.

Public Law 85-478, as amended, now provides for the operation of the special milk program through June 30, 1961, and authorizes the use of up to \$81 million of Commodity Credit Corporation funds for 1960 and up to \$84 million for 1961. H.R. 9331 would increase these authorized expenditures to \$85 million in 1960 and to \$90 million in 1961.

In testimony before the Dairy and Poultry Subcommittee on January 20, the Department indicated that it felt some financial stability should be introduced into this program, especially in view of the more favorable demand-supply position in the dairy industry. We further indicated that we were opposed to any proposal to place the program on a permanent basis.

However, we did inform the subcommittee that if current rates of reimbursement were to continue in effect, additional funds would be required and that the Department would have no objection if the Congress saw fit to provide such funds.

The Bureau of the Budget advises it has no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE, *Acting Secretary.*

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

Public Law 85-478

85th Congress, S. 3342

July 1, 1958

AN ACT To continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in the schools

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, [That for the fiscal year beginning July 1, 1958, not to exceed \$78,000,000, and for the fiscal year beginning July 1, 1959, not to exceed \$81,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$84,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high school grade and under; and (2) in nonprofit nursery schools, child care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children.] That for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$90,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high-school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children. Amounts expended hereunder and under the authority contained in the last sentence of section 201(c) of the Agricultural Act of 1949, as amended, shall not be considered as amounts expended for the purpose of carrying out the price-support program.



86TH CONGRESS
2D SESSION

H. R. 9331

[Report No. 1245]

IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 1960

Mr. JOHNSON of Wisconsin introduced the following bill; which was referred to the Committee on Agriculture

FEBRUARY 4, 1960

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to con-
4 tinue the special milk program for children in the interest of
5 improved nutrition by fostering the consumption of fluid milk
6 in schools", approved July 1, 1958, as amended (7 U.S.C.,
7 sec. 1446 note), is amended to read as follows: "That for
8 the fiscal year beginning July 1, 1959, not to exceed \$85,-
9 000,000, and for the fiscal year beginning July 1, 1960, not
10 to exceed ~~\$90,000,000~~ \$85,000,000, of the funds of the

86TH CONGRESS
2D SESSION

H. R. 9331

[Report No. 1245]

A BILL

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

By Mr. JOHNSON of Wisconsin

JANUARY 6, 1960

Referred to the Committee on Agriculture

FEBRUARY 4, 1960

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

CONSIDERATION OF H.R. 9331

FEBRUARY 4, 1960.—Referred to the House Calendar and ordered to be printed

Mr. COLMER, from the Committee on Rules, submitted the following

REPORT

[To accompany H. Res. 439]

The Committee on Rules, having had under consideration House Resolution 9331, report the same to the House with the recommendation that the resolution do pass.

○

COMMISSIONER OF THE DEPARTMENT OF THE INTERIOR

REPORT OF THE COMMISSIONER OF THE DEPARTMENT OF THE INTERIOR

IN RESPONSE TO A RESOLUTION OF THE HOUSE OF REPRESENTATIVES

REPORT

FOR THE YEAR 1887

The Commission on the Education of the Deaf and Dumb, created by the Act of March 3, 1867, Chapter 154, and continued by the Act of March 3, 1877, Chapter 154, and the Act of March 3, 1887, Chapter 154, has the honor to submit to the House of Representatives its report for the year 1887.

House Calendar No. 182

86TH CONGRESS
2D SESSION

H. RES. 439

[Report No. 1244]

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 4, 1960

Mr. COLMER, from the Committee on Rules, reported the following resolution; which was referred to the House Calendar and ordered to be printed

RESOLUTION

1 *Resolved*, That upon the adoption of this resolution it
2 shall be in order to move that the House resolve itself into
3 the Committee of the Whole House on the State of the
4 Union for the consideration of the bill (H.R. 9331) to
5 increase the authorized maximum expenditure for the fiscal
6 years 1960 and 1961 under the special milk program for
7 children. After general debate, which shall be confined to
8 the bill, and shall continue not to exceed one hour, to be
9 equally divided and controlled by the chairman and ranking
10 minority member of the Committee on Agriculture, the bill
11 shall be read for amendment under the five-minute rule.
12 At the conclusion of the consideration of the bill for amend-

1 ment, the Committee shall rise and report the bill to the
 2 House with such amendments as may have been adopted,
 3 and the previous question shall be considered as ordered on
 4 the bill and amendments thereto to final passage without
 5 intervening motion except one motion to recommit.

86TH CONGRESS
2D SESSION**H. RES. 439**

[Report No. 1244]

RESOLUTION

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

By Mr. COLMER

FEBRUARY 4, 1960

Referred to the House Calendar and ordered to be
 printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

Issued February 9, 1960
For actions of February 8, 1960
86th-2d, No. 21

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HIGHLIGHTS: House passed special milk program bill. Senate committee reported bill to modify tobacco price supports. House Rules Committee cleared for debate today, Feb. 9, bill to modify tobacco price supports. House received supplemental appropriation estimates for this Department. House committee reported Commerce Dep appropriation bill. House committee reported bill to continue increased durum wheat allotments for certain Calif. areas. House passed D. C. appropriation bill. House received USDA proposed bill to establish policy for multiple use management of forests. Sen. Stennis and others urged additional funds for forest research.

SENATE

1. TOBACCO. The Agriculture and Forestry Committee reported without amendment S. 2845, to modify price supports for tobacco (S. Rept. 1081) (the purpose of the bill is to tie the parity price of tobacco directly to the parity index rather than to the 10-year moving average of farm prices). p. 1966
2. FORESTRY. Sen. Stennis commended the work of the Forest Service, urged that an additional \$6 million be made available this year for forest research, particularly for "the construction of badly needed laboratories and other research facilities" and for "strengthening vitally important programs and vigorously attacking new problems heretofore untouched," and stated that only \$1,700,000

of his proposed \$6 million has been included in the President's budget for fiscal year 1961. Several Senators commended Sen. Stennis' statement and urged additional funds for forest research. pp. 1989-95

Sen. Wiley inserted resolutions from the Citizens Natural Resources Assoc. of Wisc. urging enactment of legislation to provide for the establishment of wilderness areas, and to provide for the establishment of a youth conservation corps. p. 1966

3. LIVESTOCK DISEASE. Sen. Schoeppel inserted a Kan. Legislature resolution urging continuation of the brucellosis eradication program. pp. 1965-6
4. FOREIGN AFFAIRS; RESEARCH. The Foreign Relations Committee reported without reservation an "agreement on the importation of educational, scientific, and cultural materials" (Exec. Rept. 1). p. 1975
5. NOMINATIONS. Confirmed the nomination of Brooks Hays to be a member of the Board of Directors of TVA. pp. 1976, 2039
6. ITEM VETO; APPROPRIATIONS. Sen. Keating urged the enactment of legislation to grant the President authority to veto individual items in appropriations bills p. 1982
7. FOREIGN AID. Sen. Monroney inserted an address by David Lilienthal discussing the need for economic aid to underdeveloped countries. pp. 2008-10
8. COMMITTEE INVESTIGATIONS. Agreed to the following resolutions:
 - S. Res. 234, to authorize the Judiciary Committee to investigate administrative practices and procedures in departments and agencies in the exercise of their rule-making, licensing, and adjudicatory functions. pp. 2028-30
 - S. Res. 246 and S. Res. 248, to authorize the Government Operations Committee to investigate the efficiency and economy of operations of all branches of the Government. pp. 2030-1, 2031-2
 - S. Res. 238, to authorize the Judiciary Committee to investigate the anti-trust and antimonopoly laws of the U. S. pp. 2032-7

HOUSE

9. SPECIAL MILK. Passed as reported H. R. 9331, to increase the authorized maximum expenditure for the special milk program for the fiscal years 1960 and 1961. (pp. 2065-73) As passed the bill increases by \$4 million (to \$85 million) for the fiscal year 1960, and by \$1 million (to \$85 million) for the fiscal year 1961, the maximum amount of CCC funds which may be used for the special milk program, and authorizes the appropriation of not to exceed \$15 million, in addition to the amounts made available from CCC, as may be deemed to be necessary for the fiscal year 1961.
10. COMMERCE APPROPRIATION BILL, 1961. The Appropriations Committee reported, on Feb. 5, without amendment H. R. 10234, the Commerce and related agencies appropriation bill (H. Rept. 1247)(p. 2091). The bill includes funds for completion of data processing and publication of preliminary State and county data for the Census of Agriculture. It also includes \$36 million for financing forest highways out of trust funds. The committee report includes the following statements:

committee of the Committee on Interstate and Foreign Commerce may have permission to sit this afternoon during the session of the House.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ADDITIONAL FUNDS FOR SCHOOL MILK PROGRAM

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 439 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9331) to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Idaho [Mr. BUDGE]; and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 439 makes in order the consideration of H.R. 9331, to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children. The resolution provides for an open rule with 1 hour general debate.

The purpose of the bill is to authorize use of an additional \$4 million in funds of the Commodity Credit Corporation for the special school milk program for the current fiscal year and an additional \$1 million in CCC funds for the fiscal year ending June 30, 1961. This will bring the authorized use of such funds for the special school milk program up to \$85 million for each of the two fiscal years. In addition, the bill as amended will authorize appropriation for the fiscal year 1961 of up to \$15 million over and above the amount available from CCC.

I urge the adoption of the rule.

Mr. BUDGE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is one of those programs which down through the years have been charged to the agricultural programs of the Nation rather than bearing some relationship to other purposes to which it and other programs relate.

The committee report on page 4 has a very excellent statement, which is as follows:

MULTIPLE BENEFIT PROGRAMS CHARGED TO AGRICULTURE

The school milk program is typical of many programs which, in the public mind, are charged to the farmer and to farm programs although they are for the general welfare, for the protection of consumers, or of a kind conferring multiple benefits on the Nation at large. Other programs in this category are the school lunch program, meat and poultry inspection, food donation programs, and surplus disposal as a part of our foreign relations or mutual defense programs.

The following table, prepared by the Budget Office of the Department of Agriculture, shows a general breakdown between those expenditures of the Department of Agriculture which might properly be charged to the farm program and those which should properly be charged to the general welfare of the Nation.

I have long felt that the assistance given the farmer has been grossly exaggerated and the tabulation made by the Department of Agriculture certainly bears this out.

Mr. BUDGE. Mr. Speaker, I appreciate the committee setting forth this statement in its report, and I ask unanimous consent that there may be inserted at this point in the Record the chart which is referred to in the report, and which constitutes a part of the report on page 5.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The chart referred to is as follows:

PROGRAMS FOR MULTIPLE BENEFITS AND NOT DIRECTLY CHARGEABLE TO THE FARMER
[Millions of dollars]

	1960	1961
Programs having foreign relations and defense aspects including Public Law 480.....	1,490	1,508
Food distribution programs including commodity purchases under the program for removal of surplus agricultural commodities, school lunch, and school milk.....	342	342
Investment in REA and FHA loans which are subject to repayment.....	576	548
Long-range programs for the improvement of agricultural resources, including research, meat inspection, diseases and pest control, education, market development and services, protection of soil and water resources and forest and public land management.....	676	733
Total.....	3,084	3,131

PROGRAMS PREDOMINATELY FOR THE BENEFIT OF THE FARMER

	1960	1961
Agricultural conservation program.....	244	233
Soil bank programs:		
Acreage reserve program.....	5	-----
Conservation reserve program.....	365	394
CCC price support, supply, and related programs, and National Wool Act and acreage allotments and marketing quotas.....	1,934	2,365
Sugar Act program.....	74	78
Total.....	2,622	3,070
Grand total.....	5,706	6,201

Mr. BUDGE. Mr. Speaker, I know of no objection to the adoption of this rule and reserve the balance of my time.

Mr. COLMER. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Speaker, I want to express my interest in the legislation that would increase the amount of milk available to children particularly. I am speaking now particularly of the hot

lunch program in our schools. I commend the committee for reporting out legislation of this kind. I think it is commendable and it will be quite helpful in relieving the situation in certain soft spots in our economy.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9331) to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 9331, with Mr. PATMAN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from North Carolina [Mr. COOLEY] will be recognized for 30 minutes and the gentleman from Iowa [Mr. HOEVEN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, I yield 7 minutes to the author of the bill, the gentleman from Wisconsin [Mr. JOHNSON], who is also chairman of our Subcommittee on Dairy Products.

(Mr. JOHNSON of Wisconsin asked and was given permission to revise and extend his remarks.)

Mr. JOHNSON of Wisconsin. Mr. Chairman, today we are considering my bill to increase the amount of money available for the children's milk program for fiscal 1960 and 1961 so the program will be able to keep pace with rising school enrollment and increased school participation.

As reported out by the House Agriculture Committee, the legislation provides that the amount of Commodity Credit Corporation funds which can be used for the program during fiscal 1960 be increased from \$81 million to \$85 million. For fiscal 1961, the authorization of CCC funds would be raised from \$84 million to \$85 million, and an additional \$15 million could be made available for the program through a direct appropriation.

Here are the reasons why prompt action on this legislation is necessary. On November 11, 1959, the U.S. Department of Agriculture announced that the Federal reimbursement rate of schools under the children's milk program will be cut by half a cent per half pint of milk on March 1 of this year. Since the program was started in 1954, schools under the type A national school lunch program have received a maximum of 4 cents per half pint for milk which is served as a separately priced item. In schools and child-care institutions serving just the milk, the maximum reimbursement rate is 3 cents per half pint.

I was very disturbed to hear of the coming cut in the reimbursement rate,

and when I returned to Washington in December, I immediately looked into the reasons behind the USDA's announcement. I learned that the children's milk program has grown to the point where the \$81 million authorized for fiscal 1960 and the \$84 million authorized for fiscal 1961 will not cover the expanding program at the present reimbursement rate.

Mr. Chairman, during the 6 years the children's milk program has been in operation, it has amply demonstrated its worth. In the past fiscal year, some 2.2 billion half pints of milk were consumed by children under the program. The number of participating schools, child-care institutions and summer camps climbed to an all-time high of more than 81,500 during the same period. This figure is better than 5,000 higher than the 1958 total of participating organizations.

Preliminary reports indicate that the program is continuing to expand. For instance, the State of Utah needs 26.5 percent more money to carry on its expanded children's milk program this year than was needed last year. Estimates for the current school year indicate that some 83,300 schools are participating in the program and that they will use better than 2.3 billion half pints of milk.

However, as successful as the program has been, just a little over one-half of the Nation's schoolchildren are now drinking milk in school. Nutritionists agree that milk is nature's most nearly perfect food. I feel it is vitally important for the children of our country to have a sufficient amount of wholesome, nutritious milk.

This can hardly be accomplished unless sufficient funds are made available so the children's milk program can keep up with rising school enrollment as well as encourage additional schools to join this worthwhile program. For a school which is thinking of taking part in the program, nothing could be more discouraging than the fear that the funds for the program might run out in the middle of the school year—or the fear that the reimbursement rate to the schools might be sliced.

Mr. Chairman, if the announced cut in the Federal reimbursement rate to schools is allowed to go through, naturally the price of school milk will go up. And if the students have to pay more for the milk, there will be a decrease in milk consumption in the schools, particularly among children from low-income families. These are the youngsters who need the milk the most, because they very likely are not getting enough milk at home.

The direct relationship between the price the children pay for milk and the amount they drink has been proven by studies conducted by the Department of Agriculture. I would like to quote from a USDA news story entitled "Special Milk Program Continues To Increase Children's Milk Consumption." It was released to the press on January 5, 1960, and the paragraph on the correlation between milk price and milk consumption reads as follows:

Schools, nursery schools, settlement houses, summer camps and other child-care

institutions have found that children want to drink more milk. The more opportunities found to serve milk at additional times during the day, the more milk the youngsters will drink. The opportunity to make milk available to them at a special price—lower than they would ordinarily pay—through operation of the Special Milk Program has resulted in substantial extra sales and increased consumption by children.

Mr. Chairman, on the opening day of the 2d session of the 86th Congress, I introduced my bill to raise the authorization for the children's milk program for fiscal 1960 and 1961. I was pleased that 16 of my colleagues joined me by introducing this legislation. On the Senate side, a similar measure has been introduced and had hearings.

When hearings were held last year by the House Agriculture Committee on the children's milk program, Department of Agriculture policymakers testified in favor of holding back the program. To use their own words, they wanted to "stabilize the program" by keeping expenditures at the level of \$75 million a year.

Such action would not result in a stabilization of the program. Rather, it would mean a gradual diminishing of the program, since the number of schoolchildren and the number of participating schools continues to increase. Any program such as the children's milk program cannot stand still. It either advances or it starts down hill.

However, when hearings were held January 20 before the House Dairy Subcommittee, I was gratified to learn that the Department of Agriculture has reversed its previous stand. At those hearings, Assistant Secretary of Agriculture Clarence Miller stated that it would not be advisable to cut the present reimbursement rate to schools in the middle of the school year and that the Department is in favor of the current bills to increase the amount of money available for the children's milk program.

Mr. Chairman, the bill I introduced would have authorized the use of an additional \$4 million in CCC funds for the children's milk program for the current fiscal year and an additional \$6 million for fiscal 1961, making a total authorization of \$85 million for fiscal 1960 and \$90 million for fiscal 1961. The committee amendment reduces the authorized use of CCC funds for the 1961 program to \$85 million but provides that additional funds up to \$15 million may be appropriated if needed for 1961.

This amendment has my wholehearted support, as it is a step in the direction of taking the children's milk program out of the price support program, where it no longer belongs. When the children's milk program was first authorized in the Agricultural Act of 1954, the program was viewed as an outright price support measure. It has served that purpose well, utilizing surplus milk which otherwise would have had to be acquired by the CCC in the form of surplus butter, cheese, or dried milk.

However, during the 6 years the children's milk program has been in operation, it has taken on a broader meaning. It has been enthusiastically accepted by parents, school officials, and nutritionists and is now regarded as a program de-

voted to the welfare of our Nation's schoolchildren rather than as a program operated solely for price support purposes.

Proof of this can be found in the continued growth of the program during the current year, at a time when the general level of milk prices is above the support level and when there is less demand or need for expansion of the program in the interest of supporting the price of milk. This continuing growth of the children's milk program can only be attributed to the public demand for and acceptance of a child health and nutrition program.

Mr. Chairman, much has been written and said about the cost of the farm program to the taxpayers. Professional critics of agriculture continue to harp on the misconception that farmers alone reap the benefits of the money which is spent on the farm program.

The children's milk program is typical of the many programs that are charged in the public mind to the farmer although they are programs for the general welfare, for the protection of consumers, or of the type that confer multiple benefits on the Nation as a whole. Other programs in this category are the school lunch program, meat and poultry inspection, food donation programs, and surplus commodity disposal as part of our foreign relations or mutual defense programs.

My colleague, Congressman FRED MARSHALL, of Minnesota, has made a very illuminating breakdown of the Department of Agriculture budget for fiscal 1959. He has found that of the \$7,341 million appropriated that year in the name of the farmers, only \$2,212 million went for programs of direct benefit to the farmers. The remaining \$5,129 million was used for multipurpose programs affecting the general welfare of the entire Nation.

Mr. Chairman, the children's milk program is a general welfare program and no longer should be considered a part of the price support program. Later in this session, I intend to introduce legislation which will provide that funds for the children's milk program for 1962 and 1963 come from general appropriations rather than from the Commodity Credit Corporation. Meanwhile, I urge my colleagues to pass the bill before them now in order that the program will not be retarded by a cut in the reimbursement rate on March 1.

Special milk program, Federal expenditures, fiscal year 1959

Alabama	\$1, 105, 758
Alaska	18, 699
Arizona	450, 381
Arkansas	664, 537
California	7, 224, 585
Colorado	590, 597
Connecticut	835, 412
Delaware	203, 819
District of Columbia	371, 335
Florida	1, 288, 667
Georgia	983, 115
Hawaii	172, 449
Idaho	185, 095
Illinois	5, 550, 581
Indiana	1, 741, 516
Iowa	1, 603, 160
Kansas	811, 230
Kentucky	1, 244, 629
Louisiana	463, 837
Maine	318, 026

Special milk program, Federal expenditures,
fiscal year 1959—Continued

Maryland	\$1,505,250
Massachusetts	2,801,086
Michigan	4,372,076
Minnesota	2,098,955
Mississippi	1,020,115
Missouri	1,996,946
Montana	141,938
Nebraska	445,813
Nevada	74,090
New Hampshire	211,215
New Jersey	1,959,694
New Mexico	604,062
New York	8,624,513
North Carolina	1,320,758
North Dakota	259,808
Ohio	4,543,129
Oklahoma	844,441
Oregon	479,948
Pennsylvania	3,509,697
Rhode Island	312,110
South Carolina	589,202
South Dakota	382,509
Tennessee	1,663,469
Texas	2,373,403
Utah	188,467
Vermont	148,371
Virginia	1,473,631
Washington	1,225,483
West Virginia	398,959
Wisconsin	2,744,890
Wyoming	142,134

Total..... 74,284,590

SPECIAL MILK PROGRAM
Average daily expenditure of Federal funds,
September–November fiscal year 1960 com-
pared with the same period in fiscal year
1959 by States

State	Fiscal year—		Percent increase 1960 over 1959
	1959	1960	
Alabama	\$7,054	\$7,996	13.4
Alaska	107	158	47.7
Arizona	2,747	3,218	17.1
Arkansas	4,154	4,193	.9
California	41,955	45,932	9.5
Colorado	3,472	3,883	11.8
Connecticut	4,771	5,455	14.3
Delaware	1,137	1,377	21.1
District of Columbia	2,064	2,276	10.3
Florida	7,845	8,146	3.8
Georgia	6,129	6,763	10.3
Hawaii	1,062	1,148	8.1
Idaho	1,071	1,130	5.5
Illinois	31,514	33,562	6.5
Indiana	10,266	11,457	11.6
Iowa	9,219	9,909	7.5
Kansas	4,882	5,362	9.8
Kentucky	7,498	7,708	2.8
Louisiana	2,949	3,361	14.0
Maine	1,845	2,054	11.3
Maryland	8,508	9,145	7.5
Massachusetts	16,246	17,137	5.5
Michigan	24,935	29,197	17.1
Minnesota	12,926	13,778	6.6
Mississippi	6,175	7,143	15.7
Missouri	12,284	13,543	10.2
Montana	837	892	6.6
Nebraska	2,595	2,895	11.6
Nevada	426	484	13.6
New Hampshire	1,237	1,425	15.2
New Jersey	10,582	12,947	22.3
New Mexico	3,589	3,912	9.0
New York	47,725	51,688	8.3
North Carolina	8,060	8,645	7.3
North Dakota	1,500	1,695	13.0
Ohio	27,051	30,687	13.4
Oklahoma	5,188	5,476	5.6
Oregon	2,894	3,106	7.3
Pennsylvania	19,874	22,357	12.5
Rhode Island	1,841	2,100	14.1
South Carolina	3,596	3,689	2.6
South Dakota	2,304	2,588	12.3
Tennessee	9,719	9,739	.2
Texas	14,616	15,065	3.1
Utah	1,140	1,442	26.5
Vermont	865	856	-1.0
Virginia	8,837	9,318	5.4
Washington	7,123	7,639	7.2
West Virginia	2,459	2,666	8.4
Wisconsin	15,923	17,066	7.2
Wyoming	886	861	-2.8
Total	433,682	474,269	9.4

1 Partly estimated

SPECIAL MILK PROGRAM

Comparison of monthly expenditures fiscal year 1959 with estimates for fiscal year 1960
(In thousands of dollars)

Month	Fiscal year 1959		Fiscal year 1960 with no reduction in maximum rates of reimbursement		Fiscal year 1960 with 1/4-cent reduction in maximum rates of reimbursement effective Mar. 1	
	Monthly expenditures	Average daily expenditures	Monthly expenditures	Average daily expenditures	Monthly expenditures	Average daily expenditures
July	469		657		657	
August	478		609		600	
September	7,724	413	7,729	444	7,729	444
October	9,626	445	10,029	490	10,029	490
November	7,389	440	8,601	485	8,601	485
December	6,508	425	7,192	464	7,192	464
January	8,099	420	8,951	459	8,951	459
February	7,910	416	8,782	455	8,782	455
March	7,761	406	8,550	443	7,156	371
April	8,411	401	9,329	433	7,795	366
May	7,689	403	8,492	440	7,158	371
June	2,221	220	2,448	240	2,230	219
Total	74,285	413	81,360	452	76,880	427
Total including ad- ministrative	74,897		82,018		77,538	

Mr. HOEVEN. Mr. Chairman, I yield myself 5 minutes.

(Mr. HOEVEN asked and was given permission to revise and extend his remarks.)

Mr. HOEVEN. Mr. Chairman, I rise in support of the committee bill. Since its enactment in 1954, the special milk program has been of tremendous benefit both to the schoolchildren of the Nation and to the American dairy farmer. In fiscal 1955, the first year of the program's operation, there were some 41,000 outlets distributing 449 million half pints of milk. During the past fiscal year, fiscal 1959, the total number of outlets has almost doubled to over 81,500 and the consumption of nature's most perfect food has risen to nearly 2.2 billion half pints. In my home State of Iowa alone the number of schools, summer camps, and similar nonprofit child-care institutions participating in this valuable program was 2,222 in November 1959. The children in these outlets consumed over 16.5 million half pints of milk during the first 5 months of fiscal 1960. The most recent figures show that during the September–November period of the current fiscal year, fiscal 1960, there was a 7.5 percent increase over 1959 in the average daily expenditure of Federal funds in the State of Iowa. This worthwhile program is growing and should be continued.

When this program was first adopted in the 83d Congress, its primary purpose was the stabilization of dairy prices, as illustrated by the following reference from our House Committee on Agriculture Report No. 1927, 83d Congress:

School milk: In section 320, the committee also provides for the next 2 years an entirely new and extremely beneficial method of supporting dairy prices by providing for increased fluid milk consumption by children in nonprofit schools of high school grade and under. At the present time, the CCC is not authorized to purchase milk and sell it to schools or donate it for school lunch programs and similar uses. This will authorize CCC to use not to exceed \$50 million of its funds for such disposal activities during each of the next 2 years.

In 1954 the secondary purpose was to raise the nutritional level of schoolchildren's diets. As time has gone by, how-

ever, the secondary purpose has become more and more important to the point where today the welfare of millions of schoolchildren is of equal if not of paramount importance. This is especially true today in light of the improved marketing situation for dairying.

While the actual percentage of the cost of this program chargeable to farmers and consumers may be debatable, the fact undeniably remains that a considerable portion of these expenditures accrues to the direct benefit of consumers. This principle is equally true when the overall agricultural picture is examined.

Too often the American farmer is unfairly depicted as an unworthy recipient of Federal treasure. We who are close to agriculture know that this is just not so. The members of this committee and the Department of Agriculture have both tried to present the facts on the farm budget clearly and honestly. Many times we have found these figures distorted. So when we consider the school milk program, let us not forget the many other activities of the Department of Agriculture which are for the national benefit of all our citizens. These include USDA expenditures for foreign relations and defense activities; most of Public Law 480, our oversea crop disposal law; food distribution programs to needy people—foreign and domestic—penal welfare institutions, and children under the school lunch program; REA and FHA loans which are ultimately repaid by farmers; agricultural research for new and better uses; meat and poultry inspection, Federal grading, animal disease control, insect and pest control, education and information, market development services, protection of soil and water resources, and forest and public land management. All these programs benefit the whole Nation not just farmers, but they are charged to agriculture just like the special milk program.

H.R. 9331, as amended by the committee, is a sound bill and should be enacted. The committee bill covers 2 years, fiscal 1960, the current fiscal year, and fiscal 1961, the upcoming fiscal year. For fiscal 1960 the bill increases the authorization of the Secretary to impair

the assets of the Commodity Credit Corporation by an additional \$4 million, thereby providing a total authorization of \$85 million for the current fiscal year. This increase will be ample to take care of all foreseeable needs in the present school year and will prevent the cut of one-half cent per half pint in Federal reimbursement scheduled by the Department of Agriculture for March 1. The bill further provides that in the next fiscal year, fiscal 1961, that there will be a total authorization of \$100 million available for the program. There will be \$85 million available to the Secretary through the assets of the Commodity Credit Corporation, exactly the same as during the current fiscal year. In addition to the amounts authorized out of CCC funds there is authorized to be appropriated such additional sums as may be necessary to continue this highly successful program on its current level, but not to exceed \$15 million.

The committee bill was reported unanimously and represents not only the continued success of this fine program, but it also reaffirms a principle of sound congressional fiscal management. In addition it calls for a little more public awareness that the cost of the school milk program is properly assignable to consumers as well as to farmers, just like so many programs administered by the U.S. Department of Agriculture.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman from Iowa.

Mr. JENSEN. Mr. Chairman, I want to congratulate the gentleman from Iowa, the top Republican member of the House Committee on Agriculture, for the statement he has just made. I am very glad he has explained the many agencies which receive funds from the Agricultural Appropriation bill that are charged to the Department of Agriculture since few people are aware of that fact.

I am pleased to have the gentleman explain that even the school lunch program is charged to the Department of Agriculture, and I should like to say further that I am very much in favor of this bill to continue furnishing milk to our schoolchildren, which I feel is justified, but just about as far as we should or dare go toward Federal aid to education.

Mr. HOEVEN. I thank the gentleman.

Mr. COOLEY. Mr. Chairman, I yield 1 minute to the gentleman from Virginia [Mr. JENNINGS].

(Mr. JENNINGS asked and was given permission to revise and extend his remarks.)

Mr. JENNINGS. Mr. Chairman, I support this bill wholeheartedly. As a matter of fact, I introduced a companion bill, H.R. 9496.

It appears to me that certainly this is the manner in which we should take care of our milk surpluses. Not only do we prevent the cost of processing, storing, and distribution, but it also provides opportunity to take care of the youth and build for the future of this country.

Virginia schools have participated widely in this program, the State last year being reimbursed approximately

\$1,474,000 for about 41.8 million half pints of milk.

According to official figures, Virginia participation is up 5.4 percent in this year as compared to last year. This clearly illustrates the need for the additional funds to be provided in this bill.

As a consistent supporter of the school milk program in every respect, I urge immediate passage of H.R. 9331 as introduced by the chairman of the Dairy and Poultry Subcommittee the gentleman from Wisconsin [Mr. JOHNSON], and reported from the House Agriculture Committee.

Mr. HOEVEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Maine [Mr. McINTIRE], the ranking minority member of the Subcommittee on Dairy and Poultry of the Committee on Agriculture.

Mr. McINTIRE. Mr. Chairman, I join with the chairman of the Dairy and Poultry Subcommittee of the Committee on Agriculture of the House, the gentleman from Wisconsin [Mr. JOHNSON] who introduced and is presenting this bill to the House today.

Our subcommittee held very constructive hearings. We have a great deal of discussion in executive session relative to this bill and the amendment thereto. It should be pointed out that the action of this committee is in complete support of the special milk program. We have attempted to provide all of the funds that are needed for the fiscal year 1960. We have set the program on the same level from the same source of funds for the fiscal year 1961, and we have provided an authorization whereby the Appropriations Committee may increase these funds if it is in their judgment necessary.

Mr. Chairman, in my opinion, this is a very sound bill, and I am happy to join in its support, and I urge its immediate passage.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. McFALL].

(Mr. McFALL asked and was given permission to revise and extend his remarks.)

Mr. McFALL. Mr. Chairman, I rise in support of this legislation as being vitally necessary to the schoolchildren of America.

I am the author of H.R. 9688, a similar measure, and there are a number of additional cosponsors.

Unless favorable action is taken on these measures the Department of Agriculture's order, which would curtail the school milk program on March 1, will stand.

This program is one of the most worthwhile of the many farm support programs since it enhances the health of children who otherwise would not get enough milk to drink, and it does not effect the price consumers pay in the market place.

The fiscal 1959 budget carried \$75 million for this program nationally. Last spring when this amount proved insufficient, the Congress voted a supplemental \$3 million.

Congress then extended the law and authorized a \$81 million program for fiscal 1960 and \$84 million for fiscal 1961,

since the participation in the program is on a steadily rising curve.

Surveys since this action was taken have shown that the program should be increased to \$85 million for both this year and the next. This is what H.R. 9331 would do.

The measure also authorized a \$15 million direct appropriation for this program which in the past has always been financed from Commodity Credit Corporation funds.

May I quote from the California State Board of Agriculture:

California schools entered the program in good faith and have more than doubled milk consumption by school children since 1954.

A reduction in the rate of reimbursement in the face of rising milk prices will force schools to increase charges to pupils, which will result in reduced participation.

The following table shows that California is one of the major participants in the program since its inception in fiscal 1955:

Fiscal year	Federal fund	California participation
1955-----	\$17, 100, 000	\$598, 634
1956-----	45, 900, 000	4, 013, 998
1957-----	60, 500, 000	5, 400, 500
1958-----	66, 300, 000	6, 458, 485
1959-----	74, 900, 000	7, 224, 585

In fiscal 1959, the year just ended, there were 5,691 separate schools, non-profit summer camps, settlement houses, and child care centers in California that participated in the program, receiving Federal assistance for 231,857,000 half-pints of milk.

Nationally, more than 81,000 schools and institutions have participated in the program, serving some 2.2 billion half-pints of milk to children. This is all in addition to the milk served children under the National School Lunch Program.

I urge a favorable vote on this measure today so the order to cut back on this most worthwhile program can be rescinded.

(Mr. HECHLER asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HECHLER. Mr. Chairman, during the current fiscal year, there are 83,300 schools and institutions participating in the school milk program. They will use a total of 2,380,000,000 half pints of milk. West Virginia participation in the school milk program increased 8.4 percent in fiscal 1960 over fiscal 1959.

In my State of West Virginia, the school milk program has become vital to the survival of thousands of underprivileged children, whose daily diets—consisting largely of surplus Government commodities—are woefully inadequate from the standpoint of nutrition. The milk and the hot meal served under the school lunch program usually is the only adequate meal they get day after day.

The school milk program and similar Department of Agriculture programs dramatize how our agricultural abundance can be put to work for the benefit of all mankind.

So I urge my colleagues to vote for H.R. 9331, which is identical the bill I introduced, H.R. 9769. These bills would provide the additional funds required to prevent a drastic cutback in the school milk program on March 1.

For children everywhere, such a cutback would be a nutritional step backward. For the children of our depressed areas, it would be calamitous.

Mr. COOLEY. Mr. Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. STAGGERS].

Mr. STAGGERS. Mr. Chairman, I rise in support of the pending legislation because I firmly believe that the past record shows the milk program and hot lunch program have benefited the entire population of the Nation, not only our urban areas but our rural areas as well. It helps dairymen and farmers—and all taxpayers, and it is one program in which the Members of both parties are in accord. I believe it is in the interest of the whole Nation.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. STRATTON].

Mr. STRATTON. Mr. Chairman, I rise to support the immediate adoption of H.R. 9331 to increase the authorized maximum expenditure for fiscal years 1960 and 1961 under the special milk program for children.

I believe the record has already amply demonstrated the splendid job which this program has done, not only in improving the health of our children but also in making possible a useful and worthwhile way in which the consumption of fluid milk can be increased, thereby also improving the position of our dairy farmers.

Those of us who have the privilege of representing dairy districts, as I do in representing the 32d District of New York State, recognize that one of the most important problems facing the dairy farmer in his effort to achieve increased income and to improve the stability of his market lies in creating an ever widening demand for the consumption of fluid milk. There is a great deal still to be done in this field; but at least this special milk program for children, which has shown its effectiveness over the years, has demonstrated that there is much the Government can do in this field that can be of great value to the farmer.

For that reason, Mr. Speaker, I am happy to support the program, and I hope the extension and increase which this legislation makes possible will be indicative of other efforts soon to come which will also find support here in the Congress to increase the consumption of dairy products in other ways as well, thereby giving the dairy farmer a better opportunity to establish a sound and unfettered basis for his economic livelihood.

(Mr. STRATTON asked and was given permission to revise and extend his remarks.)

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. LEVERING].

(Mr. LEVERING asked and was given permission to revise and extend his remarks.)

Mr. LEVERING. Mr. Chairman, I rise in support of H.R. 9331. The Department of Agriculture last November issued a directive reducing Federal reimbursement by half a cent per one-half pint of milk. I was amazed to learn from the hearings which we held on the bill under consideration and authorized by the distinguished gentleman from Wisconsin [Mr. JOHNSON], the chairman of our Subcommittee on Dairy and Poultry, that in some areas in our great Nation there are children who would not have milk for lunch, or in fact would not have any lunch at all but for the school lunch and school milk programs. Presently the Government is contributing 4 cents in cash and approximately 4 cents is donated food from surplus commodities for the lunch, and each child pays an average of 25 cents throughout the country.

Both of these programs, which benefit almost half of our children, are popular. Ohio's participation in the milk program increased by 14 percent in 1960 over 1959. It can be said that these programs not only contribute to improved nutrition for our children, but they also assist farmers and Uncle Sam as well. The milk program alone is making a great contribution toward keeping supply and demand in close balance. It has created a whole new outlet for fluid milk. Each year we sell 2.2 billion half pints of milk in addition to that under the regular school lunch program. This means that we are staying away from having to process milk—away from the problem of storing dry milk and cheese products which simply would increase the burden of our taxpayers. I strongly urge the House to support the legislation before us by an overwhelming vote.

Mr. COOLEY. Mr. Chairman, I yield such time as she may desire to the gentlewoman from Idaho [Mrs. PROST].

Mrs. PROST. Mr. Chairman, I want to add my voice to those who have already spoken in favor of the legislation to increase the funds for the Federal school milk program for the next 2 years. I am proud to join with my colleague the gentleman from Wisconsin in sponsoring this vitally important measure.

I look upon this legislation as an investment in America. We have no more important resources in this country today than our youth. I feel deeply that it is our job to assure that youth a full measure of health during their growing years so that they may be strong and can build us a better America in the future.

The funds we spend on this project today will insure a rich harvest of dividends for our Nation tomorrow.

I believe this legislation, which would authorize an increase in the Commodity Credit Corporation funds for fiscal 1960 and 1961, has the overwhelming support of the American people. It has operated with great success since it began in 1954. Starting with a modest—I say modest advisedly when you consider the mil-

lions of youngsters in our schools today—outlay of \$17.1 million, it was only natural that this total was increased over the years as more and more children were brought under the benefits of the program.

The second factor, moreover, has been the Nation's exploding population. In 1954, our school enrollment totaled 33.2 million, but by 1959 it had climbed to 39.1 million. I know that new millions will be added to the school enrollment totals in the years ahead, so we can expect the children's milk program to cost still more in the future.

While the program has been highly successful so far, it must be recorded that even now it reaches only about half of the schoolchildren in the country.

During the 1958-59 school year, more than 80,000 schools and child-care institutions participated with the children drinking some 2,175 million half-pints of milk. Many of these children were from low-income families which would not have had the benefits of health-giving milk had this program not been in operation. This has been borne out by studies in the St. Louis area, in Wisconsin and in other parts of the country. One has only to visit such a school district, and talk to school officials, and look over their milk consumption figures to better understand what this program means to the youth of America.

The program was first authorized in the revised dairy price-support provision of the 1954 Agricultural Act. More than 41,000 schools took part in the program that first year, with 45 million half-pints of milk being distributed. The following year the act was broadened and saw milk consumption jump to almost 1.4 billion half-pints of milk. The act was changed again in 1956 to cover settlement houses, child-care institutions, and approximately 3,000 nonprofit summer camps. All of this has meant an overexpanding market for fluid milk and has served as a shot in the arm to the dairy industry. The dairy industry spokesmen were extremely enthusiastic in their backing of the proposed increases when they appeared to testify in behalf of the legislation before the Dairy Subcommittee of the House Agriculture Committee last month. They spoke for the dairy industry, but they spoke too, for a healthier America.

Mr. Chairman, what would happen if the \$85 million for fiscal 1960 and the \$90 million for fiscal 1961 were not approved? I think that failure to add this extra boost at this time would be nothing short of tragic. It would be certain to force cutbacks of the program in some localities and the possibility of complete curtailment of the program in other areas in the Nation.

This certainly is not a happy thought to consider in this age of abundance in which we live here in America. I am sure the Members of this body do not consider that saving a few dollars is more important than guaranteeing our young people the benefit of milk in their diets when they might not otherwise have it.

During the next fiscal year we will be spending more than \$45 billion for the

security of our Nation. This is more than half of the total budget. We will be spending billions more under foreign aid agreements which I am sure the State and Defense Departments consider of prime importance. Against the backdrop of these expenditures, the amount spent under the Federal school milk program is dwarfed to less than the proverbial drop in a bucket.

Mr. Chairman, I urge the Members of the House to support this vitally important children's milk program. By so doing you will not only win the thanks of the citizens of my State of Idaho but that of the children of America. Remember that this legislation is truly an investment in America.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. FLYNN].

[Mr. FLYNN addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. KASTENMEIER].

Mr. KASTENMEIER. Mr. Chairman, I rise in support of the bill as reported by the committee. My bill, H.R. 9498, and several identical bills, including that of the gentleman from Wisconsin [Mr. JOHNSON], call for an increase in appropriations for fiscal year 1960 to \$85 million and to \$90 million for 1961. I believe that it is important that the present program be continued at present levels and that additional funds be made available next year to accommodate additional schools which will join the program. The committee bill will continue to appropriate \$85 million from Commodity Credit Corporation funds for the program in 1960, but will make additional funds available from agriculture appropriations for 1961. Since this program now is a consumer program, rather than one to reduce surpluses of milk, the money should, at least in part, come from appropriations more nearly identified with consumer programs than are the appropriations of the Commodity Credit Corporation. In other words, this program benefits consumers more than it does farmers and the cost of it should not be charged to the surplus reducing programs of the Commodity Credit Corporation.

I have received a number of communications from school representatives in Wisconsin who fear that the reduction in the reimbursement rate as proposed by the Secretary of Agriculture for this fiscal year will adversely affect this program and the youth of our country.

This special children's milk program, first instituted in 1954, benefits nearly one-half of the schoolchildren in the United States. About 80,000 schools and child-care institutions take part in the program and over 2 billion half pints of milk will be consumed by children during the current school year. This consumption of a wholesome food full of vitamins and body- and bone-building nutrients is contributing substantially to the health and strength of our country's youth.

At the present time, the Commodity Credit Corporation is authorized to pay schools up to 4 cents for each half pint of milk served as a separately priced item. In schools and child-care institutions serving just milk, the maximum reimbursement is 3 cents per half pint of milk. The cost of the milk to the schools and to the students is thereby reduced. The economics of the reduced price is plain: More milk can be and is consumed.

The Department of Agriculture has ordered a reduction in the reimbursement rate to take effect on March 1, 1960. Most of us here today can remember that the Department of Agriculture opposed any increase in the appropriations for this program last spring on the grounds that the then-existing level of appropriations of \$75 million was adequate. Despite an increase voted at that time, existing funds already are found to be insufficient to carry the program at the current level through this school year. I was pleased to note that the Agriculture Department withdrew its opposition to the increase to \$85 million for this fiscal year.

If additional appropriations are not provided, the level of reimbursement will be lowered and the consumption of milk will be similarly reduced. For many students, especially those from low-income families, additional money is not available to pay more for the milk. On the other hand, if school boards have shared in the cost of the milk, their budgets have been set for the school year and cannot be changed to meet increased costs.

The problem facing schools throughout the country, if this one-half cent reduction in reimbursement is ordered March 1, 1960, has been reported by the superintendent of the Lodi, Wis., school, which was the first school in the Nation to participate in this program when it was instituted in 1954.

Mr. C. G. Hugill, superintendent of Lodi schools and a constituent of mine, wrote me as follows:

I understand that the Secretary of Agriculture, on November 11, 1959, issued an amendment to his regulations governing the operation of the special milk program in which the rates of reimbursement are to be reduced by one-half cent per one-half pint of milk, beginning March 1, 1960.

This means that our reimbursement for type A lunch milk would be 3½ cents.

The only way in which this action can be rescinded would be through legislation by Congress. Would you please help with this legislation? School budgets are not prepared to handle the situation.

I have also received a copy of a resolution, adopted on January 18, 1960, by the executive board of the Wisconsin School Food Service Association, which requests that Congress rescind the action ordered by the Secretary of Agriculture. The resolution, signed by Mr. R. W. Fenske, president of the association and superintendent of Union High School, Wisconsin Dells, Wis., which is located in my congressional district, follows:

Whereas the special milk program in Wisconsin has demonstrated its value in providing essential nutritional benefits to schoolchildren of the State; and

Whereas such program has provided a substantial, and ready market for the abund-

ant milk production of Wisconsin's dairy farms; and

Whereas the Secretary of Agriculture has announced by amendment to regulations the reduction in reimbursement rates for milk served under the terms of the special milk program effective March 1, 1960; and

Whereas such reduction of one-half cent per pint would tend to work a hardship on school districts and children participating in such programs; and

Whereas school budgets and finances for the current year have been established and cannot be readily amended to provide for the additional funds which this action would require; and

Whereas this action would in itself tend to discourage the expansion of the special milk program in Wisconsin and deny the nutritional benefits of this worthy program to the many needy children of the State: Now, therefore, be it

Resolved, That the executive board of the Wisconsin School Food Service Association do hereby resolve that the association go on record as opposing such action by the Secretary of Agriculture and requesting that such legislation as would rescind the action taken by the Secretary of Agriculture and reinstate the prevailing rates of reimbursement for special milk, and that copies of this resolution be provided to Representatives and Senators from Wisconsin.

The superintendent of the Waukesha, Wis., public schools, which also is located in my district, describes the difficult situation which would confront Waukesha school officials in the event the reduction in reimbursement rate is instituted. Mr. R. G. Hein, the superintendent, writes as follows:

It has just come to my attention that the Secretary of Agriculture issued an amendment on November 11, 1959 which states that our allowance on milk will be reduced one-half cent per one-half pint beginning March 1, 1960.

This poses a very serious problem for us because at the present time we can sell our milk with the hot lunch program at 1 cent and milk without the lunch program at 2 cents. If the subsidy is reduced one-half cent, you can see that we will have to charge the children 1 cent more in each instance than we do now since most children buy only half pints at a time.

If this is going to be a legal policy, that is one thing; however, if the subsidy is reduced for a temporary period and then is increased to normal again, it causes greater confusion and inconvenience at the local level.

I hope you will use your influence to bring about action that will leave the subsidy the same so that we are not forced into an embarrassing situation in local schools.

This is a sound program. It makes milk, something we have in abundance in the United States, available to our growing youth. Through the participation of many school boards, the milk is made available free of charge to many students. We can see to it that the program will be continued throughout this school year at present levels and that it will be continued in the future at similar levels in any school that desires to participate by voting for the measure reported by the committee. I urge your support of this bill.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Kansas [Mr. BREEDING].

Mr. BREEDING. Mr. Chairman, I join my colleagues in support of this measure. Certainly it is beneficial to the

schoolchildren and the dairy people of my State.

(Mr. BREEDING asked and was given permission to revise and extend his remarks.)

Mr. HOEVEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. QUIE].

(Mr. QUIE asked and was given permission to revise and extend his remarks.)

Mr. QUIE. Mr. Chairman, there is need for the extension of the special school milk program, as the previous speakers have stated, and I associate myself with their remarks. As was stated, the program began as a price support measure. Presently CCC is buying 2.5 percent of the butterfat produced and 9 percent of the nonfat, however, it is our hope that eventually there will no longer be a surplus of dairy commodities to contend with and for that reason no longer a need for a price support mechanism. With that in mind I, for one, introduced a bill not only to provide sufficient funds for the program but to make it permanent, because it has proven a great benefit for the adequate nutrition of many students. Now, we hear some people say that their children can afford to pay for the milk at school, but I find many people who do not have the ability or the inclination to buy, as the gentleman from Iowa has said, nature's most perfect food. So, I think it is important to continue this program for a long time. That is the reason we provided for an amendment that a portion of the additional funds needed for the next year would come from a direct appropriation. I believe it is felt in the subcommittee that in the years thereafter the entire amount would be coming from the Appropriations Committee, but in order to do that, it will be necessary this year for an authorization bill to be passed. I would like to ask the chairman of the subcommittee if plans will be made to hold hearings this year for an authorization bill and that the full amount may be brought about from the committee on appropriations.

Mr. JOHNSON of Wisconsin. I may say to the gentleman from Minnesota I am having a bill drafted at this time to provide for a direct appropriation, and after I have introduced the bill, I expect to hold hearings in our subcommittee.

Mr. QUIE. I would like to commend the gentleman from Wisconsin for doing that. I would like to work with him and join with him in the introduction of such legislation.

Mr. JOHNSON of Wisconsin. I will be glad to have the help of the gentleman from Minnesota.

Mr. QUIE. With this matter taken up each year by the Committee on Appropriations, I think it will be adequately handled for the good of the young people of our country.

Mr. HOEVEN. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. PIRNIE].

Mr. PIRNIE. Mr. Chairman, as member of the subcommittee which has considered this legislation, I am pleased to rise in its support. I appreciate that this body has consistently approved the

program that this bill implements and that the sums specified here are adequate to carry out the program for the fiscal years specified therein.

Further, I consider it very appropriate that attention be called to the fact that this program is clearly beneficial to the Nation as a whole and that the resultant benefit to the agricultural economy important as it is has now become a secondary consideration.

Mr. HOEVEN. Mr. Chairman, I yield such time as he may require to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I rise in support of the bill.

(Mr. GROSS asked and was given permission to extend his remarks at this point in the Record.)

[Mr. GROSS addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. HOEVEN. Mr. Chairman, I yield such time as he may require to the gentleman from Iowa [Mr. KYL].

[Mr. KYL addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. HOEVEN. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. ALGER].

(Mr. ALGER asked and was given permission to revise and extend his remarks.)

Mr. ALGER. Mr. Chairman, I recognize that any discordant note in this discussion will not rock the boat. Yet I want to say, as I say periodically every year or two, that there is at least one contrary opinion in this body about the continuation of this program. If you listen to me patiently perhaps you will find that some of these thoughts are at least provocative.

I came through a campaign as the man who opposed the school milk program. "Taking milk out of children's mouths," I think I was accused of doing. That of course is not so. I believe in children drinking milk. But I have some very grave reservations about the Federal Government's role in our lives and whether it should extend to this matter of providing our basic necessities, such as food, clothing, and housing. I thought I should like to explain my thoughts on this to you, even as I have explained them to the people in my district. And, by the way, my district is with me on this particular issue. Maybe they think much as I do about restricting the Federal Government to its intended role. And if we are thus to distribute food, why not clothing? Let us take an illustration.

Suppose, for example, our children need blue jeans. Many children wear blue jeans and, of course, some of them are a little frayed. Surely the blue jeans manufacturers must want to produce all the blue jeans they can, and I am sure they would appreciate a Government-supported price for them.

Suppose the Government says, "Now, here; we are not going to buy the blue jeans and give them to the children, but we will provide them through the school system. We will pick up the tab beyond a certain price level, a level that everybody can afford. We will pay the differ-

ence." Well, you could not oppose that. At least you cannot logically support this program, and oppose that one. You cannot oppose children being adequately clothed, and the blue jeans manufacturers would be happy to provide clothing on that basis.

But we must keep in mind that while the children would be glad to get them, and the parents too, by what right do we shift the responsibility for clothing children adequately from their parents to the taxpayers? We are not just talking about unfortunate or needy children now, mind you, but all children.

So, back to my point. I really do not believe it is the function of the Government to feed us. I think all of us want children to drink milk. I know that I am taking on the entire House when I say this. But let us look carefully at this program. The gentleman from North Carolina has been very courteous to me when I have asked these questions before, as I have asked them of my colleagues on this side. It has been said, I think fairly, that this program was started as a surplus disposal program. No one would get excited at the proposal to consume surplus products in some beneficial manner rather than dumping them in the ocean. That is one thing. But it is another thing to set up a self-perpetuating program and then say that the reason for it is the health and the nutrition of our children. I have children. I am interested in the health and nutrition of children. I am interested in that as much as is the Federal Government, or even more so. But I wonder if the Federal Government can replace the parents, in discharging this responsibility, or if it has any business trying.

It has been said here that this has been a program of continued growth. Have you ever seen a program that did not grow, when the money was there, and when, if you did not take it, it would be gone so far as you were concerned, leaving you to pay for it in taxes, anyway? Of course not.

By the way, it was said that there was no opposition offered in the hearings. I will confess to having been rather busy lately on other legislation, but if consistency demands that I should appear during the hearings, to remind the committee that a body of opinion still exists which doubts the propriety of the Federal Government carrying on this sort of program, then I shall be there the next time.

I see, too, that the Secretary of Agriculture says that he does not believe this should be made a permanent program. He says that they are opposed to placing the program on a permanent basis. I do not know whether that opposition should be a part of the hearings, but I would say that this letter is rather diplomatically worded. It does not seem to be entirely four-square behind the bill. But perhaps I do not understand the bill in its entirety.

Mr. Chairman, I do not know if I have made my point. I think the primary purpose, the sensible and useful disposal of surplus commodities, is something that most Dallas people could agree with. But when we begin to say

that we are going to provide this program as a health matter, that is a hard thing to stop. But when you realize that whatever the expenditure, it is the taxpayer who is being gigged, then maybe this should have a little more study.

Mr. Chairman, I thank the Members for their patience.

Mr. McGOVERN. Mr. Chairman, as one of the sponsors of legislation calling for an expanded school milk program, I strongly urge the passage of the bill now before the House.

The milk for schoolchildren program is one of the truly successful services of the Federal Government. The program has been a gratifying one in all parts of the Nation. It has not only expanded the market for our dairy farmers, but has substantially aided the nutrition of our children by providing them with a basic bodybuilding food.

It is unfortunate that only about half of the Nation's schoolchildren are now participating in the school milk program. The legislation before us will not meet all of the need, but it is a substantial stride in the right direction. It will provide for moderate increases in the school milk fund and insures the permanence of the program.

I trust that my colleagues will join with me in giving this splendid program the vote of confidence that it deserves.

Mr. WOLF. Mr. Chairman, I am very happy to submit this statement in support of my bill, H.R. 9469, and other companion bills which endeavor to increase the amount of funds provided for the school milk program to \$90 million for the fiscal year 1961.

Unless this measure is adopted, the program will have to be cut. Last November the Agriculture Department informed the schools and institutions which take part in the special milk program, that on March 1, 1960, the reimbursement rate would be cut by half a cent per half pint of milk. The program is at the point where the \$81 million previously authorized for this program will not be enough. This fact was known by many of us last year who worked for legislation at that time which would increase the amount of Commodity Credit Corp. funds available so that the program could meet the requirements of an increasing school age population.

It is my feeling that this program should neither decrease the amount of aid given, nor decrease the numbers of children of school age who qualify. Rather, the approach should be exactly the opposite. It should be aimed at increasing the numbers of children of school age who do qualify. Under the program at the present time, only one half of the Nation's children participate, with 2.2 billion half pints of milk provided per year.

It was not the intent of the proponents of this program when it was first initiated in 1954, to freeze the cost or size of it at a certain level. The purpose of that program was to keep pace with the needs of our school age population; to fulfill our responsibility to improve the diets of our school children by providing them with adequate supplies of milk while at the same time expanding the production of our dairy farmers.

In my opinion, it would be utter folly to stabilize the program, as the Department of Agriculture suggests, by holding expenditures to the level of \$75 million annually. Obviously, stabilization at this level necessarily means that the program would cover fewer and fewer children as the number of school children continues to rise.

Ways should be found, as Senator HUMPHREY has suggested, to "reach more child-care institutions, making milk available to still more children."

One of the unfortunate results of this program is the notion that it should be charged to the farmer as a subsidy because it is helping him. This is unreasonable. The intent of this program is not primarily for the benefit of the farmer. Rather, it is an aid to the millions of children in this country who would be without an adequate diet if this program was not in existence. This is the primary purpose of the program and it should be understood in that context. The program is another example of those activities which are the responsibility of Government to undertake in order to provide for the welfare of its younger citizens. I feel that this point should be made perfectly clear by the Department of Agriculture—which does not seem to make distinctions of this kind for the American taxpayer.

I urge on the committee and on the Congress support of Congressman JOHNSON of Wisconsin's bill and other bills, including my own, which will make available for the special milk program an increase from \$81 million to \$85 million for fiscal 1960 and from \$84 million to \$90 million for fiscal 1961.

Mr. CARNAHAN. Mr. Chairman, I rise in support of H.R. 9331, for I introduced a similar bill, H.R. 9766, to increase the funds for the special school milk program for children. By fostering the consumption of fluid milk in the schools we serve the interest of improved nutrition. The bill I introduced would increase the funds for the fiscal year beginning July 1, 1959, from \$81 million to \$85 million and would increase the funds for the fiscal year beginning July 1, 1960, from \$84 million to \$90 million. By increasing the funds for the program the Department of Agriculture would be in position to rescind the notification to the States that, effective March 1, 1960, the rate of reimbursement to the States would be reduced.

Mr. Chairman, increasing the consumption of fluid milk direct from the farm is one way in which we can reduce mounting surpluses, thereby sparing the taxpayers some additional taxload. Milk in this program is used in public schools, in the nonprofit schools of high school grade and under, in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children.

The milk program needs more funds to meet the steady rise in the number of schools and schoolchildren. The State of Missouri entered into the program in good faith and has perhaps doubled milk consumption by schoolchildren. A reduction in the rate of reimbursement in the face of rising milk prices will force

schools to either increase charges to pupils or reduce milk consumption. Mr. Chairman, pennypinching should not come at the expense of proper nutrition for our schoolchildren. I therefore vigorously support the passage of this legislation.

Mr. ROOSEVELT. Mr. Chairman, I wish to express, as I have done in the past, my support of the objective of increasing available funds for the special milk program for children, and to express my appreciation to the House Committee on Agriculture for its prompt consideration of a program benefitting our most important resource—our Nation's children. Few Federal programs benefit so many.

The very success of the special milk program has created the perennial problem of providing sufficient Federal funds. It is for this reason that I joined with my able colleague the gentleman from Wisconsin [Mr. JOHNSON] in introducing the legislation which is before us today, with certain committee amendments.

Mr. Chairman, this bill is needed if the program is to achieve its objective of furnishing milk to children, particularly those who, because of family circumstances, are unable to get the proper amount of milk or are victims of malnutrition. In a Nation that produces in abundance, malnutrition among youngsters should be nonexistent, and the very least we can do is assure that needy children, through the special milk program, will have the opportunity to benefit from our surplus supply of milk.

As we know, prompt action by this Congress is a priority consideration. The program is being threatened by the decision of the Department of Agriculture to reduce the Federal reimbursement rate, effective March 1 of this year. Therefore, I sincerely hope that Congress will provide adequate legislation to offset this administrative decision. We in this body have this opportunity in supporting the committee-reported measure.

We hear the administration make much of inflation. Yet, in this one area—perhaps comparatively small but extremely important—the cutback of Federal aid to those participating in the program would create inflation of the worst sort. Obviously if the reimbursement rate decreases, the price of milk will increase for already overburdened school districts or hard-pressed States, depending on which would have to assume the additional financial burden. But more significant than this, there is the possibility that the extra cost would have to be absorbed by the children themselves. For many needy children the added cost would mean less consumption of milk. In effect, we would be discriminating against those from low-income or substandard income families. This certainly is not the measure of democracy we want to see.

Mr. Chairman, I would like to end on the note that we should be reminded of and should recognize the importance that the farm community and the urban community have to each other; that the well-being of our Nation can only be assured when there is a close cooperation between these two communities, and in this

instance cooperation means a healthier young America.

Mr. JOHNSON of California. Mr. Chairman, I would like to add my voice in support of the legislation to authorize an increase in Federal funds for the school milk program.

We stand today a wealthy nation, a nation with rich farm surpluses, a nation helping other nations through contribution of moneys and supplies, and yet a nation in which hungry children are going to school in every State of the Union. There are children who would not get an adequate hot meal from day to day if it were not for the school lunch programs carried on by the Federal, State and school district governments and organizations such as the Parent-Teachers Association. I have seen this as a member of a school board in my home city of Roseville. My wife and my friends have witnessed this through their PTA participation and teaching careers.

Milk is an important factor in a balanced diet. While we are feeding the people of other nations, let us not deprive our own children of the basic food, milk, which is available in surplus pools.

The legislation as proposed will have no effect upon the price of milk to the consumer, but it not only will benefit the children, but also the dairy industry. In the last 6 years, the California dairy industry has faced economic troubles which forced 8,000 dairymen out of the business. In the 1958-59 school year the school milk program amounted to 125 million gallons of milk. There is no question but what this amount of consumption is beneficial to the children and the industry.

Continuation of the school milk program at the desired levels will have a stabilizing effect on the dairy industry, increase the consumption of fluid milk and thereby reducing surpluses, and encourage the lifelong use of milk, one of nature's finest and most complete foods.

Mr. HAGEN. Mr. Chairman, I have a personal interest in H.R. 9331, which augments the school milk program, because I am the author of H.R. 9633, one of the bills on which it is based.

The authorization of and expenditure of increasing amounts of money for this program is necessitated by the fact that more and more schoolchildren receive its benefits annually and a failure of increased authorization and appropriation will inevitably result in decreased Federal grants per bottle of milk with either local or State school agencies or the children themselves picking up the deficit of Federal contribution.

This program started out solely for the purpose of providing help to dairy producers by giving them an additional market and thereby preventing the transfer of some supplies of milk into CCC hands in the form of manufactured milk products. With the reduction of surplus milk products in Government hands this justification has loomed smaller and an additional justification has ballooned into visual reality. This latter basis for the program is the welfare of the children themselves and it is increasingly felt that at least part of

the costs of the program should not be charged to price support operations. The committee amendment which authorizes the amount of \$15 million to be sought through the regular appropriation process rather than through the back door of CCC reflects this reasoning. It is at least a partial recognition of the money value of the program spent for children rather than farmers.

A comparison of the Federal contribution to school lunches—which include a requirement of a half pint of milk—with the Federal contribution to school milk reveals a startling disparity. The cash contribution to each unit of milk is identical with the cash contribution to each lunch which includes milk. Inasmuch as the lunch costs at least 25 cents per unit and the milk no more than 6 cents per unit it is patently obvious that they are receiving unequal treatment viewed as programs for the benefit of children. The disparity flags the milk program as a price support program, pure and simple.

Those of us who believe that school milk is no more of a price support operation than school lunches feel that the situation can only be clarified by treating the two programs on an equal basis. Those of us who support the programs advocate an ultimate transfer of the school milk program to the regular appropriation process at its present level of contribution of 4 cents per half pint. A corollary advocacy is that of raising the per unit contribution to each school lunch.

Mr. COOLEY. Mr. Chairman, I should like to say a word in closing. This bill was reported by the House Committee on Agriculture by a unanimous vote. It provides for the continuation of a very worthwhile program, and I hope that it will be adopted here.

Mr. Chairman, I have no further requests for time.

Mr. HOEVEN. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in schools", approved July 1, 1958, as amended (7 U.S.C., sec. 1446 note), is amended to read as follows: "That for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$90,000,000 of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high-school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

With the following committee amendments:

Page 1, line 10, strike out "\$90,000,000" and insert "\$85,000,000".

Page 2, after line 6, insert the following:

"Sec. 2. Such Act is further amended by adding after the first sentence thereof the following new sentence: "In addition to the

funds hereinbefore made available, there is authorized to be appropriated for the purposes of this Act for the fiscal year beginning July 1, 1960, such amount as may be deemed to be necessary but not to exceed \$15,000,000."

The committee amendments were agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PATMAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 9331) to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children, pursuant to House Resolution 439, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at that point in the Record at the close of the debate of the bill, H.R. 9331.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

THE LATE W. ROSS DUKE, OF WICHITA FALLS, TEX., COMMANDER IN CHIEF OF THE UNITED SPANISH WAR VETERANS

(Mr. O'HARA of Illinois asked and was given permission to extend his remarks at this point in the Record.)

Mr. O'HARA of Illinois. Mr. Speaker, it is with profound sorrow that I announce to the House the death of the commander in chief of the United Spanish War Veterans, the beloved W. Ross Duke of Wichita Falls, Tex. He was a veteran of both the Cuban and Philippines campaigns. His regiment, the 44th Volunteer Infantry, engaged in 131 battles and skirmishes in the Philippines. He represents the finest traditions of the armed forces of the United States, composed entirely of volunteers, that started our country on the road to world history more than 6 decades ago.

I shall miss him very, very much. His visits with me when in Washington in the faithful and dedicated performance

of his duties as commander in chief of the USWV, I shall never forget. Only last February, on the anniversary of the sinking of the battleship *Maine*, it was my privilege personally to deliver at Santiago de Cuba, where American troops, fought with Cuban troops for Cuba Libre, his message of greeting to the people of Cuba and expression of eternal friendship between the peoples of the United States and the peoples of Cuba.

On January 25, 1960, I appeared with Past Commanders in Chief John V. Shroyer and John White before a subcommittee of the Committee on Veterans' Affairs in support of H.R. 2412. This bill, providing that for the purpose of hospitalization all disabilities of veterans of the Spanish-American War shall be considered as service-connected, is intended to make hospitalization available to a handful of veterans, whose average age is 84, and none of whom could prove service-connected disabilities for the simple reason that at that period no medical or other records were kept. It is a good and meritorious bill, and the subcommittee chairmanship by the able Congresswoman from West Virginia, the Honorable ELIZABETH KEE, was most gracious and sympathetic.

I had not known of the illness of Commander in Chief Duke, and in my remarks had made mention of him, thinking that he was present. I was shocked later to learn that at that moment he was dying. His death occurred at 3 o'clock the following morning. To his devoted widow, his brother, Jim, and his sister, Mrs. Will Stevens, I extend my deepest sympathy.

GENERAL LEAVE TO EXTEND REMARKS

Mr. Speaker, I ask unanimous consent that any Member who may desire to do so may have permission to extend their remarks at this point in the RECORD on the late W. Ross Duke.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. O'HARA]?

There was no objection.

TEXTILE IMPORTS

(Mr. LANE asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. LANE. Mr. Speaker, did you know that men's woolen and worsted suits, manufactured abroad are being imported to the United States where they sell for lower prices than American-made suits?

This threat to our apparel industry is also a blow to our textile industry which is fighting for its life against the increasing pressure of textile imports.

Cotton fabric imports have jumped from 122 million square yards in 1957, to 180 million in 1959. Imports of wool fabrics have risen from 32 million square yards in 1957, about 46 million square yards in 1959.

One-hundred and eighty thousand men's and boys' pants were imported from the Far East in 1957; 5 million in 1959, an increase of more than 2,700 percent.

The billions of dollars of American capital invested abroad have resulted in the manufacture of products that are being shipped back to the United States to compete unfairly with American industries and American workers in our home market.

The administration is alarmed by the unfavorable balance of trade; the widening lead of imports over exports caused by its indifference to the pleas for protection by those American industries that are fighting for survival.

We who represent the textile manufacturing communities have been trying to open the eyes of the administration to the need for adequate tariffs and quotas to protect our domestic industries and workers from this invasion for many years.

Now that other American industries are being hurt the administration may wake up to the peril and take effective action to safeguard our domestic economy.

In order to strengthen the hand of the executive department in its negotiations with other countries, the Congress delegated its own tariffmaking powers. We believed that no American President would permit any American industry to be harmed under reciprocal trade agreements with other nations. But our pleas for the protection of textile and other industries, supported by incontrovertible facts, have been ignored.

In reaction to this neglect, Senator KEATING, of New York, introduced a bill late in the last session seeking to establish a new method of restricting imports. Under the terms of his bill the additional duties imposed would have the purpose of "equalizing the conditions of competition between domestic industries and foreign industries with respect to the level of wages and the working conditions in the production of articles imported into the United States."

Whether this bill or a similar one that takes into account other cost factors becomes law it is clear that we must have some form of equalizing legislation to protect us from foreign sweatshop competition.

Textile manufacturers in Hong Kong pay only 14 cents an hour. Even in Canada, whose wage and hour standards are closest to our own, there are many instances in which their rates are materially below those prevailing in the United States.

The proposed legislation would link trade curbs to rates of pay in foreign lands. This is a worthwhile remedy, but it will take time before it or similar legislation becomes law.

The textile industry needs immediate relief.

We, therefore, urge the administration to establish import quotas, and, in renegotiating the tariffs on wool fabrics this year, to establish a duty in excess of 45 percent.

Four hundred thousand textile workers have lost their jobs during the past 10 years due in large measure to the administration's international trade policy.

We recommend a prompt revision of that policy, in order to save the American wool manufacturing industry.

SOCIAL SECURITY PLUS OPPORTUNITY

(Mr. LANE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. LANE. Mr. Speaker, the greatest need for our older people is for security plus opportunity.

Retirement at a bare subsistence level is not good enough.

Many a man or woman at the age of 65 or 62, while unable to work with the full vigor of earlier years, has the precious patience, experience, and judgment that the Nation needs.

Under the present Social Security Act, which limits their wages after retirement to a mere \$1,200 a year, we are denying them the opportunity to supplement their meager pensions and to engage in the part-time productive efforts that are essential to their morale.

By raising this ceiling to \$2,400, through the bill I have introduced for that purpose, we shall realize a happy solution to this problem, combining the best elements of security plus opportunity.

Mr. Aruthur Flynn, of Lawrence, Mass., the able and respected radio commentator whose editorial feature "Assignment Haverhill" is the favorite program of the hundreds of thousands of people living in the industrial cities of the Merrimack Valley, devoted his program of January 27, 1960, to this subject.

Under unanimous consent I include in the CONGRESSIONAL RECORD the text of Mr. Flynn's remarks that were broadcast from WHAV, Haverhill, Mass., on that date, as follows:

ASSIGNMENT HAVERHILL

(Remarks by Arthur Flynn, WHAV, Jan. 27, 1960)

There is probably no one in public office who fights more diligently and with greater fervor for the aged and the workman than Congressman THOMAS J. LANE, of the Seventh Congressional District. Over the many years that this popular lawmaker has been serving the public he has been a dedicated individual. Congressman LANE is a fighter for the underdog; he is the champion of the underprivileged; he is an inspiration to the aged.

So many times over the past years have we heard people complain of the inadequacy of old-age insurance as provided under the Social Security Act. So many times have we heard people who are over 65 years of age tell of the terrible problems with which they are faced in their seemingly hopeless endeavor to make ends meet. And strangely enough you find all too few people in public life who are willing to devote a mere portion of their time to the urgings or the pleas of this certain class of people—a class of people which is entitled to more consideration than most. For who should be more revered? Who should be given the utmost consideration in any matter, but the aged? They are our senior citizens; they are the people who, by the sweat of their brows have made possible many of the niceties which we enjoy today and too frequently simply take for granted. The aged are the people who should be given preferential treatment in all matters. They (in my book at least) are our finest citizens. Social security is given far too little attention by all of us and pursuant to that we can only say in a loud, clear voice, "Thank heavens for a man like Congressman THOMAS J. LANE." Imagine now,

86TH CONGRESS
2D SESSION

H. R. 9331

IN THE SENATE OF THE UNITED STATES

FEBRUARY 9, 1960

Read twice and referred to the Committee on Agriculture and Forestry

AN ACT

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to con-
4 tinue the special milk program for children in the interest of
5 improved nutrition by fostering the consumption of fluid milk
6 in schools", approved July 1, 1958, as amended (7 U.S.C.,
7 sec. 1446 note), is amended to read as follows: "That for
8 the fiscal year beginning July 1, 1959, not to exceed \$85,-
9 000,000, and for the fiscal year beginning July 1, 1960,
10 not to exceed \$85,000,000, of the funds of the Commodity

1 Credit Corporation shall be used to increase the consump-
2 tion of fluid milk by children (1) in nonprofit schools of
3 high-school grade and under; and (2) in nonprofit nursery
4 schools, child-care centers, settlement houses, summer camps,
5 and similar nonprofit institutions devoted to the care and
6 training of children.”

7 SEC. 2. Such Act is further amended by adding after
8 the first sentence thereof the following new sentence: “In
9 addition to the funds hereinbefore made available, there is
10 authorized to be appropriated for the purposes of this Act
11 for the fiscal year beginning July 1, 1960, such amount
12 as may be deemed to be necessary but not to exceed
13 \$15,000,000.”.

Passed the House of Representatives February 8, 1960.

Attest:

RALPH R. ROBERTS,

Clerk.

MEMORANDUM FOR THE RECORD

DATE: 10/10/1918

TO: THE COMMISSIONER OF THE GENERAL LAND OFFICE

FROM: THE ASSISTANT COMMISSIONER OF THE GENERAL LAND OFFICE

RE: 100-100000

100-100000

86TH CONGRESS
2D SESSION

H. R. 9331

AN ACT

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

FEBRUARY 9, 1960

Read twice and referred to the Committee on
Agriculture and Forestry

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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HIGHLIGHTS: Senate committee voted to report bill to increase authorization for special milk program. Senate committee reported bill to require marketing quotas for rice. Sen. Murray and others introduced and Sen. Murray discussed the Hawaii omnibus bill.

SENATE

1. SPECIAL MILK. The Agriculture and Forestry Committee voted to report (but did not actually report) with amendment H. R. 9331, to increase the authorized maximum expenditure for the special milk program for the fiscal years 1960 and 1961. p. D114
2. RICE MARKETING QUOTAS. The Agriculture and Forestry Committee reported without amendment H. R. 7889, to require marketing quotas for rice when the total supply of rice exceeds the normal supply (under present law marketing quotas go into effect when the normal supply is exceeded by 10 percent) (S. Rept. 1092). p. 2475
3. WHEAT. The Agriculture and Forestry Committee reported with amendment H. R. 4874, to provide that farms on which the farm marketing excess of wheat is adjusted to zero because of underproduction shall be regarded as farms on which

the entire amount of the farm marketing excess of wheat has been delivered to the Secretary or stored to avoid or postpone the payment of the penalty (S. Rept. 1094). p. 2475

The "Daily Digest" states that the "Committee announced that it will resume hearings on pending wheat legislation as soon as possible." p. D114

4. ACREAGE ALLOTMENTS. The Agriculture and Forestry Committee reported with amendment H. R. 8343, to require the preservation of acreage allotments on land from which the owner is displaced by reason of the acquisition thereof by a Government agency in the exercise of the right of eminent domain (S. Rept. 1093). p. 2475
5. WEATHER. The Rules and Administration Committee reported S. Res. 262, authorizing the printing of a report on cold-weather agriculture as a document. p. 2475
6. FARM LABOR. The Rules and Administration Committee reported S. Res. 267, authorizing the Labor and Public Welfare Committee to make a study of all matters pertaining to migratory labor. p. 2475
7. GOVERNMENT CONTRACTS. During the debate on civil rights legislation, Sen. Dirksen submitted an amendment to the bill containing various civil rights proposals, including a proposal to establish a Commission on Equal Job Opportunity Under Government Contracts. The proposal provides that the "Commission shall make recommendations to the President and to Government contracting agencies with respect to the preparation, revision, execution, and enforcement of contract provisions relating to ... nondiscrimination in employment." pp. 2488-91
8. DROUGHT RELIEF; CCC. Sen. Williams, Del., inserted his statement and a statement of the Justice Department announcing that Attorney General Rogers "had approved a settlement of Government claims against 14 railroads, arising out of freight charges on shipments by Commodity Credit Corporation of feed for cattle to southwestern drought areas in 1953," under which the Government will receive approximately \$124,000 in refunds on these freight claims. The claims arose over excessive charges by the railroads for the shipment of cotton seed pellets which had been shipped to mills for processing before shipment to the drought areas. pp. 2487-8

HOUSE

9. APPROPRIATION. Agreed to a request by Rep. Cannon to allow the Appropriations Committee until midnight Fri., Feb. 19, to file a report on the Treasury and Post Office appropriation bill for 1961. p. 2539
10. PERSONNEL; TAXATION. Passed, with amendments, H. R. 3151, authorizing the Federal government to withhold income taxes imposed by certain cities from the salaries of Federal employees. (pp. 2541-57) Agreed to an amendment by Rep. Green making this withholding applicable in towns of 50,000 or more, instead of 75,000 or more as in the original bill. (pp. 2553-4) Agreed to an amendment by Rep. Schenck which makes the provision of the bill applicable to persons "who are subject to such tax and whose regular place of Federal employment is at a Federal installation ... within the same State as the city if any part of such installation is located within five miles of the corporate limits of such city." (pp. 2554-5) Rejected an amendment by Rep. Miliken making the provisions of the bill applicable to any political subdivision. (p. 2554)

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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HIGHLIGHTS: Senate committee reported special milk bill. Rep. Poage and others urged enactment of new farm legislation. Rep. Hoeven inserted Secretary's farm program testimony before H. Agriculture Committee. Rep. Rhodes commended President's farm program recommendations. Sen. Fulbright introduced and discussed the administration's foreign aid bill.

SENATE

1. SPECIAL MILK PROGRAM. The Agriculture and Forestry Committee reported with amendments H. R. 9331, to increase the authorized maximum expenditure for the special milk program (S. Rept. 1095) (p. 2652). Sen. Humphrey stated that as the bill was reported the Committee "increased the authorization and made this a permanent piece of legislation, rather than maintaining it on an emergency basis," and that "the proposed amendment to this legislation would make it possible for schools to plan ahead on the school lunch and special milk programs with a much greater sense of security than they now have" (p. 2652).
2. FORESTRY. Sen. Allot inserted excerpts from the statement by Sen. O'Mahoney before the Senate Interior and Insular Affairs Committee raising objections to the wilderness preservation bill, S. 1123, as being "full of vague language" and "inconsistencies" and would bind the action of future Congresses, and presenting the language of an amendment Sen. O'Mahoney intends to propose to the

bill. Sen. Allott inserted an explanation of amendments he intends to propose to the bill. pp. 2652-7

3. FARM PROGRAM. Sen. Morse inserted an article by A. Lars Nelson, master of the Washington State Grange, "Is Corn Debacle Ahead for Wheat?" opposing the administration's recommendations for wheat. pp. 2649-50
4. CONSERVATION AWARD. Sen. Long, Hawaii, inserted and commended the remarks of the Secretary in presenting the Department's Conservation Citizenship Award to the Boy Scouts of America. pp. 2612-3
5. MONEY AND BANKING. Sen. Proxmire inserted excerpts of an article in the Wall Street Journal discussing the monetary situation, and stated that the article "points out that the tight money squeeze is now really exerting pressure not only on our small banks, but also on our smaller communities and towns." pp. 2696-7
6. LANDS. A subcommittee of the Interior and Insular Affairs Committee voted to report to the full committee S. 2878, to authorize the Secretary of the Interior to adjust Indian and non-Indian land use areas in the vicinity of the Navajo Indian Reservation, N. Mex. (including certain submarginal lands previously transferred from this Department to Interior). p. D122
7. PERSONNEL; TAXATION. Sens. Clark, Russell, Keating, and Javits urged enactment of H. R. 3151, to authorize the Federal government to withhold income taxes imposed by certain cities from the salaries of Federal employees. p. 2612
8. IMPORTS. Received from the Commerce Department a proposed bill "to provide for continuation of authority for regulation of exports"; to Banking and Currency Committee. p. 2595
9. ELECTRIFICATION. Received from the Federal Power Commission a letter transmitting the following reports: "Typical Electric Bills, 1959"; "Steam-Electric Plant Construction Cost and Annual Production Expenses, 1958"; "Statistics of Electric Utilities, 1958, Privately Owned"; "Hydroelectric Plant Construction Cost and Annual Production Expenses, 1958"; "Statistics of Electric Utilities, 1958, Publicly Owned"; and a map, "Principal Electric Facilities, 1958." p. 2596

HOUSE

10. MINERALS. The Interior and Insular Affairs Committee reported with amendments H. R. 7987, to authorize the issuance of prospecting permits for phosphate in lands belonging to the U. S. (H. Rept. 1278). p. 2722
A subcommittee of the Interior and Insular Affairs Committee voted to report to the full committee H. R. 10455, amending several provisions of the Mineral Leasing Act of 1920. p. D124
11. LOBBYING. Received from the Clerk of the House the quarterly report on lobbying. pp. 2724-50
12. FARM PROGRAM. Rep. Rhodes of Arizona commended the President's farm message, stating that its recommendations are flexible enough to permit adjustments among differing positions" and yet permit "beneficial and much needed changes in national policies regarding agriculture." p. 2676
Rep. Frelinghuysen also commended the President's farm message and stated he "would especially like to lend his support to his inclusion of the food for

INCREASING THE AUTHORIZED MAXIMUM EXPENDITURE UNDER THE SPECIAL MILK PROGRAM FOR CHILDREN

FEBRUARY 18 (legislative day, FEBRUARY 15), 1960.—Ordered to be printed

Mr. HUMPHREY, from the Committee on Agriculture and Forestry, submitted the following

REPORT

[To accompany H.R. 9331]

The Committee on Agriculture and Forestry, to whom was referred the bill (H.R. 9331) to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children, having considered the same, report thereon with a recommendation that it do pass with amendments.

This bill with the committee amendments would increase the amount of Commodity Credit Corporation funds to be used for the special milk program to \$85 million for the current fiscal year (from \$81 million); increase such authorization for next fiscal year to \$95 million (from \$84 million), and continue the program thereafter on a permanent basis at \$95 million annually. The program is currently authorized only until June 30, 1961.

Hearings were conducted on three similar bills: S. 2751, introduced by Senators Humphrey, McCarthy, and Cooper; S. 2797, introduced by Senators Wiley and Proxmire; and S. 2848, introduced by Senators Randolph and Byrd of West Virginia.

Under the special milk program, the Department of Agriculture reimburses schools participating in the school lunch program at the rate of 4 cents per half pint in excess of the half pint provided in the lunch and reimburses other schools at the rate of 3 cents per half pint. Based on the current rate of program expansion (about 10 percent per year), continuation of these rates through 1960 would result in estimated expenditures of over \$82 million, or about \$1 million in excess of the \$81 million now authorized for fiscal 1960. Because of this, the Department of Agriculture on November 3, 1959, notified State school officials that the 4- and 3-cent reimbursement rates would each be reduced by one-half cent beginning March 1, 1960. The proposed reduction was subsequently deferred to April 1, 1960.

It is contemplated that the increase in funds provided by the bill would eliminate the necessity for such reduction in rates in 1960 and for some time to come.

The Department of Agriculture indicated it had no objection to increases in special milk program funds, but did not favor permanent extension of the program.

Following is background information concerning the program, which was contained in the report of the House Committee on Agriculture:

HISTORY OF THE PROGRAM

The special milk program was first authorized in the revised dairy price-support provisions of the Agricultural Act of 1954 which was enacted into law in August of that year. The details of the program were announced by the Department in early September, as schools were about to open for the fall term. Despite the short time available to State educational agencies and individual schools to lay plans for a new or enlarged milk service, over 41,000 schools entered the program that first year. Almost 450 million half pints were distributed under the program and expenditures totaled \$17.1 million.

The original program was limited to schools, and after consultation with both dairy and school officials, major modifications were made in the program for its second year of operation. These modifications were undertaken, first, to permit a more effective use of CCC funds in reducing prices to children and, second, to provide for additional simplifications in records and reports at the school level.

The modified program was immediately successful and the volume of milk moving under the program increased more than threefold in the second year—to almost 1.4 billion half pints. The number of schools increased from 41,000 to 62,000 and the expenditure of CCC funds rose from \$17.1 million to almost \$46 million in fiscal year 1956.

The program provisions for schools—where milk is sold as a separately priced item—has continued unchanged since the second year of operation. Within the maximum rates established by the Department, these schools are reimbursed for reducing the selling price to children below the cost of the milk and for the expenses they incur in distributing the milk (such as the purchase of milk service equipment, labor, straws, etc.). From the outset the maximum rate of reimbursement has been 4 cents per half pint for schools participating in the national school lunch program, but they do not receive any payment for the half pint of milk that is served as part of a type-A lunch. Schools not participating in the national school lunch program can receive up to 3 cents per half pint for the milk served to children.

The legislation passed in 1956, which continued the program through June 30, 1958, also extended it to nonprofit summer camps, settlement houses, and other child-care

institutions. About 3,000 camps participated in the program last summer and reimbursements totaled about \$650,000. Although camp and institutional operations are small in relation to the school program, the program has made it possible for these groups to provide a much more adequate milk service for children.

The following table shows the growth of the program from its inception through fiscal year 1959. It is estimated that during the current fiscal year (1960) there are 83,300 schools and institutions participating in the program, and that they will use a total of 2,380 million half pints of milk at a total cost to the Federal Government of approximately \$82 million.

Special milk program participation and expenditures, 1955-59

	Schools, camps, etc., participating	Milk con- sumed (mil- lions of half pints)	Expenditures (millions of dollars)
1955.....	41,094	449.8	17.1
1956.....	62,266	1,394.2	45.9
1957.....	71,239	1,752.7	60.5
1958.....	76,478	1,918.2	66.3
1959.....	81,000	2,200	74.9

EXPANSION OF THE PROGRAM

When this program was started in the Agricultural Act of 1954, it was an outright price support measure. It has continued to serve that function and there is evidence that it has played an important and effective part in supporting milk prices to producers. It has utilized in a most acceptable and useful manner surplus milk that otherwise might have been acquired by CCC in the form of butter, cheese, or dried milk. During the operation of the program, however, it has been so generally and so enthusiastically accepted by parents, school officials, and nutritionists, that it has now taken on more of the aspects of a program devoted to the general welfare of the Nation's children than a program solely for price support purposes.

This is indicated by the continued growth of the program during the current year, at a time when the general level of milk prices is above the support level and when there is less demand or necessity for expansion of the program for price support purposes.

This expansion is clearly shown by the following table which compares daily expenditure of Federal funds under the special milk program, by States, for the 3 months September-November in the fiscal years 1959 and 1960. It seems clear to the committee that this expansion is to be attributed to the public demand for and acceptance of a child health and nutrition program rather than to the necessities of the price support program for milk.

INCREASING SPECIAL MILK PROGRAM FOR CHILDREN

Special milk program: Average daily expenditure of Federal funds, September–November, fiscal year 1960, compared with the same period in fiscal year 1959, by States

State	Fiscal year 1959	Fiscal year 1960	Percent in- crease, 1960 over 1959
Alabama.....			
Alaska.....	\$7, 054	\$7, 996	13. 4
Arizona.....	107	158	47. 7
Arkansas.....	2, 747	3, 218	17. 1
California.....	4, 154	4, 193	. 9
Colorado.....	41, 955	45, 932	9. 5
Connecticut.....	3, 472	3, 883	11. 8
Delaware.....	4, 771	5, 455	14. 3
District of Columbia.....	1, 137	1, 377	21. 1
Florida.....	2, 064	2, 276	10. 3
Georgia.....	7, 845	8, 146	3. 8
Hawaii.....	6, 129	6, 763	10. 3
Idaho.....	1, 062	1, 148	8. 1
Illinois ¹	1, 071	1, 130	5. 5
Indiana.....	31, 514	33, 562	6. 5
Iowa.....	10, 266	11, 457	11. 6
Kansas.....	9, 219	9, 909	7. 5
Kentucky.....	4, 882	5, 362	9. 8
Louisiana.....	7, 498	7, 708	2. 8
Maine.....	2, 949	3, 361	14. 0
Maryland.....	1, 845	2, 054	11. 3
Massachusetts.....	8, 508	9, 145	7. 5
Michigan.....	16, 246	17, 137	5. 5
Minnesota.....	24, 935	29, 197	17. 1
Mississippi.....	12, 926	13, 778	6. 6
Missouri.....	6, 175	7, 143	15. 7
Montana.....	12, 284	13, 543	10. 2
Nebraska.....	837	892	6. 6
Nevada.....	2, 595	2, 895	11. 6
New Hampshire.....	426	484	13. 6
New Jersey.....	1, 237	1, 425	15. 2
New Mexico.....	10, 582	12, 947	22. 3
New York.....	3, 589	3, 912	9. 0
North Carolina.....	47, 725	51, 688	8. 3
North Dakota.....	8, 060	8, 645	7. 3
Ohio.....	1, 500	1, 695	13. 0
Oklahoma.....	27, 051	30, 687	13. 4
Oregon.....	5, 188	5, 476	5. 6
Pennsylvania.....	2, 894	3, 106	7. 3
Rhode Island.....	19, 874	22, 357	12. 5
South Carolina.....	1, 841	2, 100	14. 1
South Dakota.....	3, 596	3, 689	2. 6
Tennessee.....	2, 304	2, 588	12. 3
Texas.....	9, 719	9, 739	. 2
Utah.....	14, 616	15, 065	3. 1
Vermont.....	1, 140	1, 442	26. 5
Virginia.....	865	856	-1. 0
Washington.....	8, 837	9, 318	5. 4
West Virginia.....	7, 123	7, 639	7. 2
Wisconsin.....	2, 459	2, 666	8. 4
Wyoming.....	15, 923	17, 066	7. 2
	886	861	-2. 8
Total.....	433, 682	474, 269	9. 4

¹ Partially estimated.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

Public Law 85-478

85th Congress—S. 3342

July 1, 1958

AN ACT To continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in the schools

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That [for the fiscal year beginning July 1, 1958, not to exceed \$78,000,000, and] for the fiscal year beginning July 1, 1959, not to exceed [\$81,000,000] \$85,000,000, and for the fiscal year beginning July 1 1960, *and for each fiscal year thereafter*, not to exceed [\$84,000,000] \$95,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high school grade and under; and (2) in nonprofit nursery schools, child care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children. Amounts expended hereunder and under the authority contained in the last sentence of section 201(c) of the Agricultural Act of 1949, as amended, shall not be considered as amounts expended for the purpose of carrying out the price-support program.

○

Calendar No. 1138

86TH CONGRESS
2D SESSION

H. R. 9331

[Report No. 1095]

IN THE SENATE OF THE UNITED STATES

FEBRUARY 9, 1960

Read twice and referred to the Committee on Agriculture and Forestry

FEBRUARY 18 (legislative day, FEBRUARY 15), 1960

Reported by Mr. HUMPHREY, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the first sentence of the Act entitled "An Act to con-
4 tinue the special milk program for children in the interest of
5 improved nutrition by fostering the consumption of fluid milk
6 in schools", approved July 1, 1958, as amended (7 U.S.C.,
7 sec. 1446 note), is amended to read as follows: "That for
8 the fiscal year beginning July 1, 1959, not to exceed \$85,-
9 000,000, and for the fiscal year beginning July 1, 1960,
10 *and for each fiscal year thereafter, not to exceed \$85,000,000*

1 \$95,000,000, of the funds of the Commodity Credit Corpo-
 2 ration shall be used to increase the consumption of fluid milk
 3 by children (1) in nonprofit schools of high school grade
 4 and under; and (2) in nonprofit nursery schools, child-care
 5 centers, settlement houses, summer camps, and similar non-
 6 profit institutions devoted to the care and training of chil-
 7 dren."

8 ~~SEC. 2.~~ Such Act is further amended by adding after
 9 the first sentence thereof the following new sentence: "In
 10 addition to the funds hereinbefore made available, there is
 11 authorized to be appropriated for the purposes of this Act
 12 for the fiscal year beginning July 1, 1960, such amount
 13 as may be deemed to be necessary but not to exceed
 14 \$15,000,000."

Amend the title so as to read: "An Act to extend and
 increase the authorized maximum expenditure for the special
 milk program for children."

Passed the House of Representatives February 8, 1960.

Attest:

RALPH R. ROBERTS,

Clerk.

86TH CONGRESS
2D Session

H. R. 9331

[Report No. 1095]

AN ACT

To increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

FEBRUARY 9, 1960

Read twice and referred to the Committee on
Agriculture and Forestry

FEBRUARY 18 (legislative day, FEBRUARY 15), 1960

Reported with amendments

Is there objection? Without objection, it is so ordered.

Mr. GORE. Mr. President, on a number of occasions I have expressed to the Senate my deep concern over the threat to our highway improvement program. As recently as February 15, I addressed the Senate, and demonstrated, I believe, the consequences of the policies now being pursued by the administration with respect to the Interstate Highway System. At that time I based my concern largely on inadequate financing and the fact that commitments made to the States, through apportionments legally made under the law enacted by Congress, were not being honored.

It appears now that another aspect of the stretchout, slowdown program has come to light. A new instruction manual has just recently been issued by the Bureau of Public Roads and sent to the States and to district engineers of the Federal Bureau of Roads. I have a copy of this manual. It is called *Instruction Manual for Preparation and Submission of Revised Estimate of Cost of Completing the Interstate System*.

I asked for a copy of this instruction manual from the Bureau of Roads yesterday, but was unable to secure a copy from the Bureau. Through a friend, I did secure a copy.

As I said, the administration has attacked the highway program by renegeing on the schedule of construction. In this way the very integrity of the concept can be destroyed.

President Eisenhower originally recommended that this new System of Interstate and Defense Highways be completed in 10 years. The President gave three principal reasons for it: First, national defense needs; second, demands of our national economy; third, safety of travel on the highways.

I submit that those three requirements are even more demanding and acute now than they were when the President submitted his recommendations for the program.

Congress enacted the program, not exactly as it was recommended, but with changes which the Congress considered appropriate. Instead of a 10-year construction program, Congress provided for a 13-year program. The highway system was to be constructed to design standards to meet the traffic needs of 1975.

Those of us who have been following the development of the highway program are aware that a committee, under a General Bragdon, whose first name I do not recall, has been undertaking studies for the White House, with a view to making a comprehensive report to the President on this program.

From time to time disturbing rumors have been heard to the general effect that the Bragdon committee would recommend a drastic cutback of the interstate program, particularly within urban areas.

In the instruction manual to which I have just referred, I think I see strong indication that the Bragdon committee may not issue a public report, but that an attempt may be made to accomplish its recommended objectives through step-by-step administrative procedure.

In other words, the executive branch may whittle away at the highway program by introducing and implementing, piecemeal, certain recommendations of the Bragdon committee.

I would like to call to the attention of my colleagues certain points in this manual.

First. Although this manual is officially issued for the guidance of State highway department and bureau offices in preparing the revised estimate to be submitted to Congress in January 1961, there are disturbing indications that it is to become an operational manual and that the provisions thereof may be regarded as maximum design standards for the submission of any new projects.

I trust this is not the case. I was pleased to hear Mr. Tallamy, Administrator of the highway program, say earlier today, before the Commerce Subcommittee of the Senate Appropriations Committee, that these recommended plans were not, in fact, standards.

I have heard from officials of my State and from citizens of my State, and also officials of other States, however, that this instructional manual is regarded by many as a set of standards. I hope that the Department of Commerce will make this unmistakably clear to the chief executives of our 50 States.

Second. The manual, if its provisions are regarded as standards, would drastically limit the number of interchanges which can be built on the Interstate System within urban areas. This is of vital concern to our cities, where plans are already far advanced and where projects are already underway.

This new manual specifies that interchanges within urban areas should not be spaced "closer than an average of 2 miles."

While there is an admission that variations must be allowed for, it is flatly stated that in urban areas "the distance between interchanges should not be less than 1 mile."

Mr. President, I do hope that these instructions are not to be treated and regarded as rigid maximum standards, because there are many instances in which they would not be appropriate.

Third. This manual bases the number of traffic lanes on the Interstate System within cities on the 1960 population of the city concerned. I should like to read from the manual, page 18, the following:

In 1975 the number of lanes in cities exceeding 1 million population shall not exceed 8; for cities in the population range of 400,000 to 1 million shall not exceed 6; and for cities under 400,000 inhabitants shall not exceed 4 (population references are to the estimated 1960 population).

Mr. President, if this is in fact a standard, then the whole concept of building an interstate and defense highway system interconnecting all of our principal cities, adequate for the traffic needs of 1975, would be destroyed. If we are to build these highways adequate to handle only the traffic of 1960, and if the system is to be completed sometime in the late 1970's or 1980's—if, indeed, under the present plans it would be completed in this century—then the

highway system will be antiquated long before it is even completed.

To illustrate how this is interpreted by local highway and public works officials, I wish to read a telegram which I received last evening from Memphis, Tenn.

Senator ALBERT GORE,
Senate Building,
Washington, D.C.:

U.S. Bureau of Public Roads new policy cutting expressway interchanges in half will drastically affect Memphis expressway program. My feeling is strong against this new directive. This threatens to seriously cripple our program, if not in fact destroy it. Your assistance will be greatly appreciated in attempting to return the original design of our system.

Signed by Commissioner Bill Farris.

I wish to read what the law provides with respect to standards. This is taken from the act of 1956. Construction standards shall be "adequate to accommodate the type and volume of traffic forecast for the year 1975."

I realize that there is a very determined effort to cut back, to roll back, and to stretch out public expenditures, but surely, if this Republic is to subsist and thrive as a government of law instead of a government of men, then the law should be followed. For the first time since 1916, when Federal-State highway programs were undertaken, the States cannot now rely upon an apportionment of highway funds apportioned to the States by an act of Congress. Heretofore all States have, without question, depended upon reimbursement for the Federal share of the cost of highway projects whenever the vouchers were submitted. Now, however, in this fiscal year the administration has undertaken a system of Federal contract control. The States are now being apportioned funds by bureaucratic edict instead of by an act of Congress. This I cannot accept, and I shall seek whatever remedy may be available to me in this body to require compliance with the Highway Act of 1956.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. RUSSELL. Mr. President, I am more concerned, really, about the first criticism which the Senator voiced, in regard to the narrowing of the size of the highways, than I am in regard to the latter criticism. Both things are bad. If we are going to base the new system on prospective traffic for 1960 rather than for 1975, as we started to do, we shall be wasting a large amount of the money. The whole concept of building a great Interstate System to last through the years will have been abandoned.

Did I correctly understand the Senator to say some regulation had been drawn in the Department of Commerce which says these highways are to be based on four lanes in cities of a certain size in 1960, instead of depending upon the law? Of course, I am not nearly so familiar with the law as is the distinguished Senator from Tennessee, but as I recall the law, we were undertaking to have a system which would be modern by the time we got through paying for it in 1975.

Mr. GORE. The people are paying for it now.

Mr. RUSSELL. The people are paying now for a system to be finished by 1975. What we are going to get, however, will not even meet the needs of 1960, if I understand correctly the Senator's construction of the regulation.

Mr. GORE. In all candor, I must say that the instruction manual has been interpreted differently by different people. That is the way I understand it.

Let me show the manual to the Senator. I will read what it says on page 18, under the subhead "Number of Traffic Lanes."

It states:

In 1975 the number of lanes in cities exceeding 1 million population shall not exceed eight; for cities in the population range of 400,000 to 1 million shall not exceed six; and for cities under 400,000 inhabitants shall not exceed four (population references are to the estimated 1960 population).

How would the Senator interpret that language?

Mr. RUSSELL. Mr. President, I would interpret the language to say that it was the idea the growth of this country would be frozen in a pattern which would be indicated by the 1960 census. That is giving it the most favorable construction. Certainly there is nothing in the growth experience of this country to indicate that all our communities are going to attain exactly the same rate of growth, and I see no reason why the 1960 population should be the final standard. It could be an element entering into a formula to estimate what would be the population in 1975, but it should not be conclusive on any community of the country or any State of the Nation in undertaking to construct its portion of the interstate highway.

Mr. GORE. As the able Senator well knows, there is a great population movement in our country from the rural districts to the cities. I cannot say that I am too happy over the movement of people from rural areas to the urban areas, but whether I am happy with it or not, there is a vast movement. In my State, for example, the few large urban areas have had great increases in population, but most of the rural counties for the past 20 years have lost population.

Mr. RUSSELL. That is true not only in the large urban centers, but in my State—and I believe the Senator will find that it holds true in his State—even in the rural counties which have lost considerable population, the largest communities within those counties, in most instances, have maintained their population or increased somewhat. There has been a great movement away from the land into the towns and communities of every size throughout the Nation.

Mr. GORE. I believe the Senator will agree that the traffic pattern may not, in fact, relate to the population of a community at all. As we develop in our economic life, the per capita ownership of automobiles rapidly increases.

I trust that there will not be a drastic slowdown in the program, and that there will not be an undercutting of the standards; but the able Senator from Georgia heard me read the interpretation of an

official in my State with respect to the manual. I hope that if this is an erroneous interpretation the Department of Commerce will say to our Governors unmistakably that these are not maximum standards, but only an advisory manual of instruction for preparing cost estimates.

Mr. RUSSELL. I share the Senator's hope. It is regrettable if we must reduce the tempo of this construction, but it would certainly be compounding the tragedy to build the system on a scale which would not answer the purposes which Congress intended in the year 1975.

Mr. GORE. I thank the Senator.

Mr. ERVIN. Mr. President, will the Senator yield for a question?

Mr. GORE. I yield.

Mr. ERVIN. Is it not true that the volume of traffic which uses these highways is not necessarily proportionate to the size of the communities through which the traffic passes? In other words, these highways carry a vast amount of traffic from one area of the country to the other, and the amount of the traffic in many cases has no relation whatever to the community through which the highway passes.

Mr. GORE. For example, Atlanta is the hub of a large portion of the South, through which passes a large amount of traffic moving from the Southeast to the North and Northeast.

Mr. ERVIN. I should like to ask the Senator from Tennessee another question. How can the States and the road contractors devise long-term plans for the construction of these highways when they cannot rely upon the allotment of moneys which the act of Congress contemplated should be made.

Mr. GORE. Only yesterday the Highway Subcommittee of the Governors Conference met in Washington. I met with them. I am sure that they called upon a number of Senators and Representatives. These Governors were greatly disturbed by their inability, for the first time since 1916, to rely upon a moral commitment and a legal apportionment of funds to the States. Of course, that affects the highway construction industry, as the Senator has indicated. It adversely affects the progress of the highway program, and makes it more costly rather than less.

Mr. ERVIN. It not only makes it more costly, rather than less, but also endangers the investments of those who invest in machinery for the purpose of constructing highways.

Mr. GORE. I was advised yesterday by one of the Governors that in one town in his State \$12 million worth of construction equipment was lying idle and rusting away, and that people in the construction industry who had invested in that machinery, relying upon the highway program which had been enacted by Congress upon the recommendation of the President, are now threatened with bankruptcy.

Mr. ERVIN. I have received information to the same effect from a number of road contractors in my State who have equipped themselves for the purpose of carrying out the program envisioned by the act of Congress.

Mr. GORE. That is regrettable; but I point out to the Senator that a far more serious threat looms in the growing number of fatalities on our highways, and the delay and added cost involved in the completion of the system.

Mr. ERVIN. I commend the Senator from Tennessee for the great work he has done in connection with this entire program, and for calling the attention of the Senate and the country to the failure to carry out the program as it was envisioned by the act of Congress. I think he has rendered and is rendering a service of inestimable value to the Nation.

Mr. GORE. I thank my friend.

SPECIAL SCHOOL MILK PROGRAM— ADDITIONAL COSPONSOR OF BILL

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the name of the Senator from Kentucky [Mr. COOPER] may be added as a cosponsor of the school milk bill, S. 2751, and I ask unanimous consent that the name of the Senator be included as a cosponsor in the report by the committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SPECIAL SCHOOL MILK PROGRAM

Mr. HUMPHREY. Mr. President, with reference to the report I have today presented on behalf of the Committee on Agriculture and Forestry, I should like to point out that the proposed amendment to this legislation would make it possible for schools to plan ahead on the school lunch and special milk programs with a much greater sense of security than they now have. This proposal would in no way relieve the Congress of its responsibility to keep a watchful eye on the progress of the program to insure that maximum benefits are realized by the schoolchildren of the Nation. When these provisions prove inadequate, I would certainly want to take steps to make additional funds available for this most worthy program, and I am confident that I would be joined in this by a majority of my colleagues in the Senate.

We have with regard to the special school milk program, as the Senate will be interested to know, increased the authorization and made this a permanent piece of legislation, rather than maintaining it on an emergency basis.

WILDERNESS LEGISLATION

Mr. ALLOTT. Mr. President, on Tuesday of this week, the Senate Committee on Interior and Insular Affairs again took up consideration of the wilderness bill, S. 1123. At that meeting the senior Senator from Wyoming [Mr. O'MAHONEY], whom I and many of us here consider one of the great lawyers not only of the Senate but in this country, presented to the committee some of his thinking about the bill. I thought his analysis so sound and so important as to warrant a broader audience than just the committee members. Accordingly, I requested his permission to have some

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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HIGHLIGHTS: House passed the Treasury-Post Office appropriation bill. Sen. Javits and others introduced and Sen. Javits discussed the conflict-of-interests bill.

SENATE

1. SPECIAL MILK PROGRAM. As reported by the Agriculture and Forestry Committee (see Digest 28), H. R. 9331 increases by \$4 million (to \$85 million) for the fiscal year 1960, and by \$11 million (to \$95 million) for the fiscal year 1961, and authorizes \$95 million for each fiscal year thereafter, the maximum amount of CCC funds which may be used for the special milk program. As passed by the House the bill would have authorized \$85 million (CCC funds) for fiscal years 1960 and 1961, and would have authorized the appropriation of not to exceed \$15 million, in addition to the amounts made available from CCC, as may have been deemed necessary for the fiscal year 1961.

2. LANDS. The Interior and Insular Affairs Committee reported with amendments S. 2878, to authorize the Secretary of the Interior to adjust Indian and non-Indian land use areas in the vicinity of the Navajo Indian Reservation, N. Mex.

(including certain submarginal lands previously transferred from this Department to Interior) (S. Rept. 1125). p. 2888

3. RECLAMATION. The Interior and Insular Affairs Committee voted to report (but did not actually report) the following bills: p. D134
S. 68, to provide for continued delivery of water under the Federal reclamation laws to lands held by husband and wife upon the death of either.
S. J. Res. 150, to permit the Secretary of the Interior to continue to deliver water to lands in the 3d division, Riverton Federal Reclamation project, Wyo.
4. AIR POLLUTION CONTROL. Both Houses received from HEW a proposed bill "to provide for public hearings on air pollution problems of more than local significance under, and extend the duration of, the Federal air pollution control law"; to H. Interstate and Foreign Commerce and S. Public Works Committees. pp. 2885, 3033
5. PERSONNEL; CONFLICT-OF-INTEREST. Sen. Proxmire inserted a newspaper article summarizing and commenting on the recommendations of a special committee of the Association of the Bar of the City of New York to revise the laws relating to conflict of interest of Federal employees. pp. 2905-7
6. INFORMATION; RESEARCH. Agreed, by a vote of 76 to 14, to a resolution of ratification of the agreement on the importation of educational, scientific, and cultural materials (including the free importation of certain books, publications and documents, and scientific instruments or apparatus). pp. 2927-45
7. LEGISLATIVE PROGRAM. Sen. Johnson announced that there will be late sessions this week, and possible "round-the-clock" sessions beginning next week, in order to dispose of pending civil rights legislation. pp. 2955-9

HOUSE

8. APPROPRIATIONS. Passed, with an amendment, H. R. 10569, the Treasury and Post Office appropriation bill for 1961. pp. 3001-23
Agreed to an amendment by Rep. Gross prohibiting the use of appropriation in this bill for the purpose of supporting or defeating any legislation proposed or pending before Congress. pp. 3022-3
9. WATER POLLUTION. Received the President's veto message on H. R. 3610, to increase Federal grants for construction of sewage treatment works and to establish the Office of Water Pollution Control. (H. Doc. 346). pp. 2993-4
Rep. Albert stated that the vote to override the President's veto would be taken on Thur., Feb. 25. p. 2995
10. INTEREST RATES. Agreed to a request of Rep. Mills to allow the Ways and Means Committee until midnight Mon., Feb. 29, to file a report on H. R. 10590, relating to interest rate restrictions on U. S. bonds. This bill would allow the Secretary of the Treasury to increase interest rates on long-term bonds, in excess of 4½ percent, upon a finding by the President that the national interest so requires. pp. 2994-5
11. FOREIGN AFFAIRS. Rep. Wolf commented on the "people-to-people" program in foreign relations and called special attention to the results of an American sponsored program for the establishment of a hog breeding industry in one city in Japan. pp. 3027-9

25. WHEAT. Sen. Morse inserted an article "which in concise form sets forth the major provisions of" S. 3159, to establish a marketing program for wheat, of which he is a cosponsor. p. 6146
- Sen. Murray inserted an article written by Wayne Darrow, Washington Farm-letter writer, in which the author states that "any wheat legislation reported out of" the "House Agriculture Committee stands a 50-50 chance of passage," and "... would likely be vetoed because Congress won't be passing anything acceptable to Secretary Benson." pp. 6154-5
26. PASSED OVER the following bills:
- H. R. 9331, to increase the authorized maximum expenditure for, and to make permanent, the special milk program. p. 6168
- S. 91, to limit to cases involving the national security the prohibition on payment of annuities to Federal employees. p. 6157
- S. 1617, to adjust the legislative jurisdiction exercised by the U. S. over certain lands. p. 6157
- S. 1851, to establish a Commission on a Department of Science and Technology. p. 6157
- S. 1789, to amend the ICC Act to insure the adequacy of the national rail-road freight car supply. p. 6157
- S. 2308, to provide for the validation of certain oil and gas leases. p. 6157
- S. 1711, the Humphrey food-for-peace bill. p. 6157
- S. 2522, to provide for enrichment and sanitary packaging of certain donated surplus commodities, and establish an experimental food stamp plan. p. 6157
- S. 2086, to provide for the establishment of a National Wildlife Disease Laboratory. p. 6157
- S. 910, to authorize payments-in-lieu-of-taxes to local governments on certain Federal real property. p. 6158
- S. 2168, to provide for the serving of oleomargarine in the Navy. p. 6158
- S. 1447, to eliminate the exclusion of tuber propagated plants from being patented. p. 6159
27. LEGISLATIVE PROGRAM. Sen. Johnson stated that after the Senate completes action on the Commerce Department appropriation bill today, Mar. 29, it is hoped that the Senate will then consider and pass the Interior Department appropriation bill. pp. 6224, 6157

ITEMS IN APPENDIX

28. WATER RESOURCES. Extension of remarks of Rep. Lane inserting a Mass. State legislature statement in support of the proposed bill granting consent and approval of Congress to the northeastern water and related land resources compact. p. A2721
29. WILDLIFE. Sen. Wiley inserted an article, "National Wildlife Week" which is reflective of the constructive work being accomplished to preserve our wilderness. p. A2725
30. RURAL DEVELOPMENT. Extension of remarks of Rep. Fenton stating that "the administration has taken important steps in recent weeks to strengthen and expand the rural development program nationally," commending assistance given by Extension Service and inserting a report by Guy Temple on the development of this program in Schuylkill County, Pa. pp. A2728-30

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13. TARIFF RATES. Passed without amendment S. 3005, to extend the periods of time by which the Federal Maritime Board may suspend tariff schedules. p. 6185
14. COMMERCE AND RELATED AGENCIES APPROPRIATION BILL, 1961. Continued consideration of this bill, H. R. 10234. pp. 6186-7
15. WEATHER. Agreed to S. Res. 262, authorizing the printing of a report on cold weather agriculture as a Senate document. p. 6166
16. CASEIN IMPORTS. Passed with amendment H. R. 7456, to extend the suspension of import duties on casein until July 1, 1960. (pp. 6190-5) Sen. Johnson explained that the amendment limiting the suspension of duties to July 1, 1960 was for the purpose of enabling the Finance Committee to hold further hearings on the bill and to make "whatever recommendations it desires to make to the Senate prior to July 1, 1960."
17. MARKETING. Passed as reported S. 1283, to regulate the interstate distribution and sale of packages of hazardous substances intended or suitable for household use. pp. 6180-5
18. ETHICS. Sen. Proxmire inserted an article in which the author stated his belief that "the ethical standard of conduct of Government officials cannot be raised by passing laws," his reply to the article and stated that he believes "that just as we regulate the conduct of private individuals by the criminal code, we can and should impose a code of conduct on Government officials explicitly prescribing conduct inimical to the public interest." pp. 6217-8
19. INTEREST RATES. Sen. Proxmire criticized an address by Woodlief Thomas, economic adviser to the Board of Governors of the Federal Reserve System, on the subject, "Why the Government cannot control the interest-rate structure." pp. 6222-4
20. COMMITTEE ASSIGNMENTS. Sen. Lusk was assigned to service on the Interior and Insular Affairs Committee and Sen. Randolph to service on the Post Office and Civil Service Committee. p. 6224
21. TRANSPORTATION. Sen. Williams, N. J., discussed provisions of a bill introduced by himself and other Senators to assist State and local governments and their public instrumentalities in improving mass transportation service in metropolitan areas. pp. 6226-30
22. EXPORT-IMPORT BANK. Received a GAO audit report on the Export-Import Bank for 1959. p. 6118
23. PERSONNEL. Received from HEW proposed legislation to include certain officers and employees of that Department within the provision of sections 111 and 1114 of title 18 of the U. S. Code relating to assaults and homicides; to Judiciary Committee. p. 6118
Passed as reported H. R. 3472, to repeal section 1505 of the Social Security Act so that in determining eligibility of Federal employees for unemployment compensation their accrued annual leave shall be treated in accordance with State laws. pp. 6178-9
24. ELECTRIFICATION. Sen. Aiken complimented the National Rural Electric Cooperative Association on their recent advertisements in Life magazine and for their "vision, their fortitude, and their faith in the future of our country." p. 6132

MR. PROUTY. Mr. President, over by request.

The PRESIDING OFFICER. The resolution will be passed over.

The resolution (S. Res. 256) authorizing the printing of additional copies of the unemployment selected readings prepared by the Special Committee on Unemployment Problems was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

MR. PROUTY. Over, by request.

The PRESIDING OFFICER. The resolution will be passed over.

The resolution (S. Res. 257) authorizing the printing of additional copies of the studies in unemployment prepared by the Special Committee on Unemployment Problems, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

MR. PROUTY. Over, by request.

The PRESIDING OFFICER. The resolution will be passed over.

The resolution (S. Res. 260) to print with illustrations a committee print entitled "Relative Water and Power Resource Development in the U.S.S.R. and U.S.A." was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

MR. PROUTY. Over, by request.

MR. MORSE. Mr. President, will the Senator from Vermont withhold his objection for a moment?

MR. PROUTY. Yes.

MR. MORSE. Mr. President, I believe this is a report which ought to be available in sufficient supply to be used by all Senators, particularly members of the Committee on Foreign Relations. It is an important report from the standpoint of helping to clarify the thinking of some of us on matters with regard to the challenge which Russia is presenting to us in the field of hydroelectric power development. The expenditure involved in connection with supplying the reprint called for is exceedingly nominal in relation to the great value that would flow from an educational standpoint in making the information available. I hope that at an early date we may get the approval of the Senate for the printing of these additional copies of the report.

I wish to say to the Senator from Utah [Mr. Moss] and the other Members of the Senate who went to Russia that they have given us a very valuable report and have performed a great service to the Senate. Not to make this report available in sufficient supply for use by Senators would clearly be pennywise and pound foolish.

The PRESIDING OFFICER. Objection is heard. The resolution will go over.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ON EMPLOYMENT, GROWTH, AND PRICE LEVELS

The concurrent resolution (S. Con. Res. 86) authorizing the printing of ad-

ditional copies of the hearings on employment, growth, and price levels was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Economic Committee one thousand additional copies of the hearings on employment, growth, and price levels held by that committee during the first session of the Eighty-sixth Congress.

PRINTING OF ADDITIONAL COPIES OF REPORT ON EMPLOYMENT, GROWTH, AND PRICE LEVELS

The concurrent resolution (S. Con. Res. 87), authorizing the printing of additional copies of the report on employment, growth, and price levels was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Economic Committee one thousand additional copies of the report on employment, growth, and price levels prepared by that committee during the first session of the Eighty-sixth Congress.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ON ENERGY RESOURCES AND TECHNOLOGY

The concurrent resolution (S. Con. Res. 88), authorizing the printing of additional copies of the hearings on energy resources and technology, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Economic Committee one thousand additional copies of the hearings on energy resources and technology, held by that committee during the first session of the Eighty-sixth Congress.

PRINTING OF ADDITIONAL COPIES OF STUDIES ON COMPARISONS OF UNITED STATES AND SOVIET ECONOMIES

The concurrent resolution (S. Con. Res. 89), authorizing the printing of additional copies of the studies on comparisons of United States and Soviet economies, was considered, considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Joint Economic Committee one thousand additional copies of the studies on comparisons of the United States and Soviet economies, prepared by that committee during the first session of the Eighty-sixth Congress.

MARKETING QUOTAS FOR RICE

The bill (H.R. 7889) to require marketing quotas for rice when the total supply exceeds the normal supply was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

MR. ELLENDER. Mr. President, I ask unanimous consent that a statement explaining the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ELLENDER

This bill provides for the proclamation of rice marketing quotas whenever the supply exceeds normal. Existing law requires that supply exceed normal by more than 10 percent before quotas are proclaimed.

Normal supply consists of domestic consumption and exports plus a 10-percent allowance for carryover. This allowance for carryover, which amounts to about 5 million hundredweight, is adequate. Marketing quotas have been in effect for rice since 1955. Their suspension for any year could be anticipated to result in considerable expansion of acreage for that year followed by a difficult readjustment to quotas in the following year. The bill is designed to prevent such a situation.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

ACQUISITION OF CROPLAND BY EMINENT DOMAIN

The bill (H.R. 8343) relating to the preservation of acreage allotments on land from which the owner is displaced by reason of the acquisition thereof by a Government agency in the exercise of the right of eminent domain, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry, with an amendment, on page 2, line 7, after the word "to," to strike out "one year" and insert "two years."

MR. ELLENDER. Mr. President, I ask unanimous consent that a brief explanation of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ELLENDER

This bill would continue acreage allotments on lands acquired by agencies having the right of eminent domain so long as they remain leased to their former owners. It would also permit Federal Government lands to be leased to their former owners for the production of price supported crops without regard to section 125 of the Soil Bank Act.

At present where farm lands are acquired by any agency having the right of eminent domain, the allotments on the farm are pooled for use in providing allotments for other farms owned by the former owner of the farm lands so acquired. This is so even though such former owner remains on the farm under lease from the acquiring agency, continues farming it, and operates no other farm. So long as the former owner is allowed to remain in possession, there would seem to be no reason for not permitting him to operate the farm as he has in the past, and the bill is designed to accomplish this purpose. This will minimize the adverse effect of the Government's land acquisition operations on the individual farmer and the community.

Section 125 of the Soil Bank Act prohibits the leasing of Federal Government lands for the production of price supported crops in surplus supply. The bill would exempt from this prohibition lands leased to their former owner.

The committee amendment gives a former owner who is not in possession of the land at the time the bill becomes effective 2 years, instead of 1, to obtain a lease from the Government and qualify for the continuation of allotments on the land.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938

The bill (H.R. 4874) to amend section 334 of the Agricultural Adjustment Act of 1938, as amended, to provide that for certain purposes of this section, farms on which the farm marketing excess of wheat is adjusted to zero because of underproduction shall be regarded as farms on which the entire amount of the farm marketing excess of wheat has been delivered to the Secretary or stored to avoid or postpone the payment of the penalty, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, I ask unanimous consent that a short explanation of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SCHOEPPEL

This bill provides for crediting a wheat farmer who exceeds his allotment, but fails to produce a marketing excess, with the same history he would have received if he had produced an excess and stored it to avoid penalty.

Wheat farmers who either keep within their allotments, or store any marketing excess produced by them, are credited for the purpose of future allotments with acreage history equal to their base acreage. Wheat farmers who exceed their allotments and do not store their marketing excess are credited only with history equal to their allotted acreage, and lose the difference between their allotted acreage and base acreage. Wheat farmers who exceed their allotments but suffer a crop failure so that they have no marketing excess should, of course, be in as good a position as farmers producing and storing an excess. However, the law is not now so construed and such farmers receive credit only for their allotted acreage. The bill would correct this situation by providing for their being credited with their full base acreage.

The committee amendment makes no change in substance, but does make it clear that exempt farms, which could not avoid a loss of acreage history by storing any excess they might produce, will similarly not be able to avoid such loss if they have a crop failure. The committee amendment also clarifies the effective date of the bill.

The committee amendment, except for its last two sentences, has been previously approved by the Senate when it agreed to the conference report last year on S. 1968.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry, with an amendment, to strike out all after the enacting clause and insert:

That section 334 of the Agricultural Adjustment Act of 1938, as amended, is further amended by inserting a new subsection (d) between subsections (c) and (e) to read as follows:

"(d) For the purposes of subsections (a), (b), and (c) of this section, any farm—
"(1) to which a wheat marketing quota is applicable; and

"(2) on which the acreage planted to wheat exceeds the farm wheat acreage allotment; and

"(3) on which the marketing excess is zero shall be regarded as a farm on which the entire amount of the farm marketing excess has been delivered to the Secretary or stored in accordance with applicable regulations to avoid or postpone the payment of the penalty. This subsection shall be applicable in establishing the acreage seeded and diverted and the past acreage of wheat for 1959 and subsequent years in the apportionment of allotments beginning with the 1961 crop of wheat. For the purpose of clause (1) of this subsection, a farm with respect to which an exemption has been granted under section 335(f) for any year shall not be regarded as a farm to which a wheat marketing quota is applicable for such year, even though such exemption should become null and void because of a violation of the conditions of the exemption."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

INCREASE IN EXPENDITURE UNDER THE SPECIAL MILK PROGRAM FOR CHILDREN

The bill (H.R. 9331) to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. PROUTY. Mr. President, while I personally favor the bill, I have been requested that it be held over.

Mr. MORSE. Mr. President, will the Senator withhold his objection for a moment?

Mr. PROUTY. Yes.

Mr. MORSE. Mr. President, if we do not get favorable action on the bill on the call of the calendar, I should like to say that it is certainly a bill that ought to be brought up by motion at an early date for consideration by the Senate. I say most respectfully that I do not see how there could be any possible justification for letting the bill die on the calendar. We cannot deny this assistance to

the little boys and girls in the United States who need milk.

It is just as simple as that. It is a great humanitarian bill. We ought to act on it. We ought to provide whatever additional funds are needed to give the boys and girls milk when they need it. I make this statement not from the standpoint of the milk industry, but from the standpoint of the nutritional needs of a lot of little boys and girls in this country to whom we had better be giving some attention, because they happen to be the greatest wealth we have.

Mr. PROUTY. Mr. President, I find myself in perfect and complete agreement with the Senator from Oregon.

Mr. ELLENDER. Mr. President, I ask unanimous consent to have a short explanation of the bill printed at this point in the RECORD.

The PRESIDING OFFICER. Objection is heard. The bill will be passed over.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR ELLENDER

This bill would increase the funds available for the special milk program to \$85 million for the current fiscal year and \$95 million for each fiscal year thereafter. This would be an increase of \$4 million from the \$81 million now available for the current year and an increase of \$11 million from the \$84 million now available for fiscal 1961. Because of expanded participation in the program, these increases are necessary to maintain the current payment rates of 4 cents per half pint for schools participating in the school lunch program and 3 cents per half pint for schools not participating in the school lunch program.

The bill would also make the program permanent. The program was first authorized by the Agricultural Act of 1954 and has been expanded and continued from time to time through fiscal 1961. The program has proved very successful and should now be made permanent.

The committee amendments increase the amount of Commodity Credit Corporation funds authorized by the House bill for fiscal 1961 from \$85 million to \$95 million, make the program permanent, and strike out an authorization for the appropriation of an additional \$15 million for fiscal 1961. Use of a combination of Commodity Credit Corporation funds and appropriated funds would result in unnecessary accounting and other fiscal problems.

The report states that because of the inadequacy of funds now authorized to cover expanded participation in the program a reduction of one-half cent per half pint in reimbursement rates has been announced effective April 1. Since the bill was reported the reduction has been deferred to May 1, but if additional funds should not be authorized by then, the reduction would be 1 cent per half pint.

DEPARTMENT OF COMMERCE APPROPRIATIONS, 1961 — BILL PASSED OVER

The bill (H.R. 10234) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1961, and for other purposes, was announced as next in order.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

Issued March 30, 1960
For actions of March 29, 1960
86th-2d, No. 57

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HIGHLIGHTS: Senate passed: Interior appropriation bill; special milk bill; Commerce appropriation bill. House passed Labor-HEW appropriation bill.

SENATE

1. INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1961. By a vote of 78 to 0, passed with amendments this bill, H. R. 10401 (pp. 6260-3, 6246, 6269-74, 6303-12). Agreed to the committee amendments en bloc (p. 6261). Conferees were appointed. (See Digest 56 for a summary of items of interest to this Department.)
2. SPECIAL MILK PROGRAM. Passed as reported H. R. 9331, the special milk bill. As passed by the Senate, the bill increases by \$4 million (to \$85 million) for the fiscal year 1960, and by \$11 million (to \$95 million) for the fiscal year 1961, and authorizes \$95 million for each fiscal year thereafter, the maximum amount of CCC funds which may be used for the special milk program. pp. 6313, 6318
3. COMMERCE AND RELATED AGENCIES APPROPRIATION BILL, 1961. By a vote of 79 to 2, passed with amendments this bill, H. R. 10234 (pp. 6249-60, 6275-7, 6288-96, 6299-6307). Agreed to the committee amendments en bloc (p. 6260). Agreed to an amendment by Sen. Williams, Del., to prohibit the Merchant Marine from

offering free or subsidized rates of transportation to any Federal official. (pp. 6249-56). Conferees were appointed.

4. CASEIN IMPORTS. At the request of Sen. Johnson, reconsidered and passed with amendment H. R. 7456, to extend the suspension of import duties on casein until July 1, 1960. Sen. Johnson explained that the amendment was a "purely technical correction" in the bill. p. 6249
5. RECLAMATION. A subcommittee of the Interior and Insular Affairs Committee voted to report to the full committee S. 1092, to provide for the construction of the Cheney division, Wichita Federal reclamation project, Kan. p. D247
6. SUGAR. Sen. Dworshak inserted a newspaper editorial, "Castro-Soured Sugar," urging enactment of the Administration proposal to amend the Sugar Act so as to give the President authority to adjust sugar quotas. p. 6318
7. SURPLUS COMMODITIES; STOCKPILING. Sen. Byrd submitted the monthly report of the Joint Committee on Reduction of Nonessential Federal Expenditures on Federal stockpile inventories under this Department, GSA, and OCDM as of Jan. 1960. pp. 6235-41
8. NATURAL RESOURCES; FORESTRY. Sen. Jackson was appointed a member of the National Outdoor Recreation Resources Review Commission. p. 6243
9. PROPERTY; TAXES. Sen. Dirksen objected to a request of Sen. Johnson to take up S. 910, to authorize the payment to local governments of sums in lieu of taxes and special assessments for certain Federal real property. p. 6320

HOUSE

10. APPROPRIATIONS. Passed, 362 to 10, without amendment H. R. 11390, the Departments of Labor and Health, Education, and Welfare appropriation bill for 1961. (pp. 6328-71)

This bill includes items for the Bureau of Labor Standards, Mexican farm labor program, Bureau of Employees' Compensation, revision of the consumer price index of the Bureau of Labor Statistics, Food and Drug Administration, Office of Education, Public Health Service, Social Security Administration, and funds for construction of a laboratory barn at the Beltsville Agricultural Research Center for the Food and Drug Administration.

The committee report again urges HEW "to develop a better program to overcome the obstacles in the way of qualified older persons securing employment."

The committee report also includes the following comments on cost-type budgeting and within-grade salary advancements:

"This year, the budget for the Department of Health, Education and Welfare was prepared on an accrual or cost-type basis. The Committee diligently tried to ascertain in what way this additional information would be of value in determining the proper level of appropriations. The Committee also spent some time discussing this matter with the Departmental budget officer to see if he could point out some place where this might be of at least a little value in passing on the appropriation requests (see pages 769-772 of hearings on the 1961 budget for the Department of Health, Education and Welfare (exclusive of Public Health Service)). All of the Committee's efforts in this regard were to no avail. While this may be an interesting exercise for some governmental accountants, the Committee is hopeful that the Bureau of the Budget will discontinue wasting time and money in preparing this type of additional information which is of no value

controversy in regard to them, and I do not anticipate any rollcalls in connection with them.

Mr. President, I should like to have the attention of the distinguished minority leader.

Mr. President, the first bill is Calendar No. 1138, H.R. 9331, a bill to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

The second bill is Calendar No. 1114, H.R. 2164, a bill to reduce the cabaret tax from 20 to 10 percent.

The next bill is Calendar No. 1162, H.R. 9660, to amend section 6659(b) of the Internal Revenue Code of 1954 with respect to the procedure for assessing certain additions to tax.

Possibly we shall make a motion to consider Calendar No. 1166, S. 2878, to adjust Indian and non-Indian land use areas in the vicinity of the Navajo Indian Reservation in New Mexico, and for other purposes; Calendar No. 1059, H.R. 6132, relating to the rate of tax on the issuance of shares or certificates of stock by regulated investment companies; and Calendar No. 893, S. 910, to authorize the payment to local governments of sums in lieu of taxes and special assessments with respect to certain Federal real property, and for other purposes.

Mr. President—
The PRESIDING OFFICER. The Senator from Texas.

INCREASE IN EXPENDITURE UNDER THE SPECIAL MILK PROGRAM FOR CHILDREN

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1138, H.R. 9331.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 9331) to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (H.R. 9331) to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children, which had been reported from the Committee on Agriculture and Forestry, with amendments, on page 1, at the beginning of line 10, to insert "and for each fiscal year thereafter," in the same line, after the word "exceed", to strike out "\$85,000,000" and insert "\$95,000,000", and on page 2, after line 7, to strike out:

Sec. 2. Such Act is further amended by adding after the first sentence thereof the following new sentence: "In addition to the funds hereinbefore made available, there is

authorized to be appropriated for the purposes of this Act for the fiscal year beginning July 1, 1960, such amount as may be deemed to be necessary but not to exceed \$15,000,000."

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from New York.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may have printed in the RECORD a statement of my views in regard to Calendar No. 1138.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JAVITS

I favor this bill because it serves the double purpose of expanding the nutritional opportunities for our children and helping to realize more closely the national potential for the consumption of fluid milk. It is a fundamental proposition that adequate consumption of milk for our country's diet will have an enormously beneficial effect upon dairy farmers everywhere. Great efforts and much expenditure has been made in promoting the consumption of milk. Here in this bill is an outstanding way in which this wonderfully health building commodity can be built on a broader base and last through the life of many million Americans. As one of the leading dairy States of the Nation, this bill is of great interest to the State of New York and I am very pleased to see the completion of legislation on it.

SCHOOL CONSTRUCTION ASSISTANCE

Mr. GOLDWATER. Mr. President, last Friday the House Education and Labor Committee reported its school construction assistance bill, H.R. 10128. The minority report on this measure is one of the most significant documents I have read on the subject of Federal aid to education, and because it is likely that the House and Senate will go into conference on some form of this legislation, I should like to bring to the attention of my colleagues several points of the House minority views.

During the time Federal aid to education was before this body, I had occasion to comment on the actual need for Federal funds in assisting State programs. Office of Education survey data in the House minority views show that of the 45 States supplying the data a total of 30 reported no classroom shortage or backlog in borrowed up districts, or districts which exhausted their borrowing capacity for construction purposes.

The other 15 States reported a total of 237 borrowed up districts which had a total shortage or backlog of a maximum of 3,086 classrooms. The 237 borrowed up districts reported in the survey amount to only six-tenths of 1 percent, or 6 out of every 1,000, of the Nation's 40,000 school districts. The enrollment in these districts is less than 1.5 percent of the United States total.

I should like to quote one paragraph from the minority views which I believe places this entire subject in proper focus:

We fully realize, of course, that there are many considerations and problems confronting the States and localities in financing school construction, beyond the problem of debt limitation. We believe there are local situations, not reflected in the borrowed up district survey, which retard and prohibit adequate financing of the schools. In almost all such cases, however, the problem can be laid directly in the lap of the State government which is constitutionally responsible for education in the first place.

Mr. President, I ask unanimous consent that the minority views be printed as a part of my remarks.

I want to express extreme gratification for the attention which has been paid to this by the Senator from New Hampshire and the Senator from Maryland.

There being no objection, the minority views were ordered to be printed in the RECORD, as follows:

MINORITY VIEWS

This report, submitted by the undersigned members of the committee, stems from a realization that a strong system of public education is important to our Nation's strength.

Education's problems must be solved by the soundest possible means. To turn our backs on the needs of today, or to neglect the demands of tomorrow, would serve to short-change our country's future and waste our precious intellectual potential. In like manner, to overstate a problem, to conjure up imagined ills, or to transform the whole educational system into a problem child, is to do great injustice to the American people.

Five years ago President Eisenhower advocated a program of Federal assistance, allocated on a basis of need, to accelerate the construction of elementary and secondary school classrooms.

Since then, as this report shows, great strides have been made in classroom construction. If it is correct to assume that specific areas still need to be assisted by the Federal Government, we believe that consideration should be given to a simple debt retirement program, as proposed by the administration and embodied in H.R. 11122.

As reported by the committee, H.R. 10128 is seriously defective. It would allocate Federal funds among the States simply on the basis of schoolage population, without regard to need or financial ability to construct schools. In the development of any Federal program of this kind, Federal aid should be pinpointed so that truly needy areas get the help. The bill's present formula for distribution of funds is clearly faulty in this respect.

Another weakness in the committee bill is that the States will not be obligated immediately to match Federal funds. This is unfortunate, especially because the basic merit of this method of securing participation by the States is recognized in the bill's requirement for matching in the second and third years of the program.

Neither the Subcommittee on General Education, nor the full committee, held any public hearings on the subject of this bill, or the bill itself, in the present session of Congress. There is a positive need for such hearings. We are fully aware, of course, that the general subject has been explored, and reexplored, over the last decade; yet, despite this exploration, the majority apparently is unaware of what actually has occurred, and is now occurring, in the way of classroom construction. No adequate and effective program of Federal aid can properly ignore the rapidly shifting patterns of need

and response which have taken place in education in this country.

A great deal of the past testimony available to the committee has been along the line, as expressed by one witness, that "the need for school construction is greater than ever" and "we have to run faster and faster just to stand still." What has been emphasized is the impact of the increased birth rate, after World War II, on elementary and secondary school enrollments and thus on the demand for school facilities. The Nation has passed this "hump" in school enrollments; yet, the majority has ignored the overall cumulative effectiveness of State and local efforts in coping with the problem.

LESS FUTURE NEED FOR NEW CONSTRUCTION

The number of additional classrooms needed each year presently is made up of three components: namely, (1) classrooms required to house new or additional enrollment over the previous year's enrollment, (2) classrooms needed to replace facilities that are abandoned for such reasons as consolidation of local districts, population shifts, and poor condition of the structure, and (3) classrooms needed to reduce or eliminate a so-called backlog reportedly consisting at the beginning of the 1959-60 school year of 132,400 classrooms, which, according to the Office of Education fall survey for 1959, is made up of 66,400 classrooms reported by the States as needed to accommodate enrollment in excess of "normal" capacity and 66,000 classrooms reported as needed to replace "unsatisfactory" facilities.

All sorts of backlog figures have been banded around before congressional committees over the years and to this day no one in authority can be sure of the exact total nor has any analysis been brought to our attention which would indicate that the backlog ever could be entirely eliminated—if for no other reason than timing alone. That is, timing actual construction to coincide with the presumption of obsolescence, or the loss of a school by fire, or with unexpected increases in enrollment in any one school. We do not question the existence of some backlog. We do believe, however, that there is and will continue to be an irreducible minimum backlog of classroom need, regardless of any question as to Federal aid. To the extent this exists, and for other reasons discussed later in this report, the urgency of the presumed classroom shortage is considerably diminished.

The number of classrooms each year for additional enrollment over the next 10 years can be determined with considerable confidence. Most of the pupils who will make up the enrollment are already born and countable. The latest Office of Education projections are shown in column 2 of accompanying table 1. The net annual increase is shown in column 3 (table attached).

The dramatic decline in the annual enrollment increase begins for the school year 1965-66. Summary of the data is as follows:

Average annual increase 1955-59... 1,200,000
Average annual increase 1960-64... 1,100,000
Average annual increase 1965-69... 600,000

Translation of the enrollment increases into classroom needs is shown in column 4 of table 1. Summary of these classroom facts is as follows:

Average number needed annually
1955-59... 40,000
Average number needed annually
1960-64... 36,700
Average number needed annually
1965-69... 20,000

TABLE 1.—Projected enrollment in public elementary and secondary schools and estimated number of additional classrooms needed, 1960 to 1969

School year	Projected enrollment (in thousands)		Estimated number of additional classrooms currently needed for each year		
	Number ¹	Net increase over previous year	For increased enrollment (rounded to nearest 100) ²	For replacements ³	Total
(1)	(2)	(3)	(4)	(5)	(6)
1960-61...	37,196	1,212	40,400	16,000	56,400
1961-62...	38,047	851	28,400	16,000	44,400
1962-63...	39,187	1,140	38,000	16,000	54,000
1963-64...	40,320	1,133	37,800	16,000	53,800
1964-65...	41,484	1,164	38,800	16,000	54,800
1965-66...	41,488	404	13,500	16,000	29,500
1966-67...	42,514	626	20,900	16,000	36,900
1967-68...	43,148	634	21,100	16,000	37,100
1968-69...	43,840	692	23,100	16,000	39,100
1969-70...	44,497	657	21,900	16,000	37,900

¹ Source: U.S. Office of Education tabulation dated Jan. 21 1960. Projected enrollments based on Office of Education official school enrollment data and Bureau of the Census official projection of population aged 5 to 17.

² Computed on basis of 30 pupils per classroom (col. 3 above ÷ 30). Most estimates in recent years are on this basis, although some use 28 pupils per classroom. Application of the 28-pupil basis would increase the annual figures by about 7 percent. On the other hand, it should be noted that these projections are on basis of total enrollment for the entire school year which exceeds total enrollment at the beginning of each year and is approximately 11 percent greater than the average number of pupils actually in daily attendance in the schools.

³ Based on average number (15,941) of classrooms abandoned or replaced during past 4 years, the only years for which data are available from Office of Education.

Determination of the number of classrooms needed each year to replace facilities currently abandoned is much more uncertain. Where obsolescence is involved, the practice varies widely all over the country as to just how long a school facility will be continued in use or whether it will be remodeled rather than abandoned. For the purpose here we based the estimate on actual practice as reported by the Office of Education. The available data show that abandonments have averaged a little less than 16,000 classrooms per year.

Combination of these two categories of current classroom needs each year gives the total classroom requirements for additional new facilities needed. These annual totals, which appear in column 6 of table 1, are summarized as follows:

Average total needed annually 1960-64... 52,700
Average total needed annually 1965-69... 36,100

SCHOOL CONSTRUCTION RATES IN RELATION TO THE NEED

When America's public schools open next fall for the beginning of the 1960-61 school year, the Nation's overall physical plant will contain approximately 1,330,000 classrooms. These are instructional rooms, including laboratories and shops, but not including auditoriums, gymnasiums, lunchrooms, libraries, study halls, and multipurpose rooms. Approximately 680,000 classrooms, or more than one-half the total, will have been constructed since World War II. With the exception of a relatively small volume of facilities constructed with Federal assistance in federally affected areas (under Public Law

815, 81st Cong., as amended) these classrooms will have been built with State and local resources.

The construction rate in each of the last 10 school years is as follows:

1950-51...	44,000
1951-52...	48,000
1952-53...	50,000
1953-54...	55,000
1954-55...	60,000
1955-56...	63,280
1956-57...	68,660
1957-58...	72,070
1958-59...	70,000
1959-60...	62,700

Summary of the construction rates is as follows:

Average annual construction 1955-59...	66,900
Average annual construction 1950-59...	59,400

In terms of the overall national outlook, it is perfectly clear that the States and localities have mounted the construction effort necessary to meet the need without any program of general Federal aid for this purpose. It is also evident that the construction peak has been crossed and within 5 years the number of classrooms required to keep fully abreast additional needs will be only half as much each year as actually have been built in the past few years.

Not only are past and present construction rates adequate to keep up with the future needs each year to house expected enrollment increases and provide replacements for abandoned facilities, but they are adequate, also, to produce a number of additional classrooms more than equivalent to the backlog of 132,400 as of the present school year (1959-60). Moreover, the backlog would be reduced to inconsequential proportions in little more time than the period covered by H.R. 10128.

The construction rate for the preceding 5 school years (1954-58) averaged 66,800 classrooms per year. Projection of this annual average, a rate which the States and localities have demonstrated they can attain, would produce 467,600 classrooms by the beginning of the 1966-67 school year. Since only 329,800 classrooms would be needed for annual enrollment increases and replacements up to then, the remainder would be more than equivalent to the 132,400 backlog for 1959-60 (see table 2).

Similarly, the construction rate for the present school year is reported by the States as 62,700. Projection of this lower rate in like manner would produce 501,600 classrooms by the 1967-68 school year as compared with new enrollment and replacement needs of 366,900 or an excess of 134,700.

On the basis of still another assumption, namely, a declining rate that would average 58,000 classrooms per year, a total of 580,000 classrooms would be produced up to the beginning of 1969-70, as compared with additional enrollment and replacement needs of 443,900, or an excess of 136,100. It should be noted that the average annual rate of 58,000 classrooms used in this computation is less than the annual average of 59,400 classrooms constructed during the 10-year period 1950-59, and very substantially less than the highest annual rate of 72,070 in 1957-58.

These projections have made full allowance for the reported backlog as of 1959, in addition to new classroom requirements each year. Even making such allowance for the backlog, a great deal less construction will be required over the next 5 to 10 years than

There also exists a serious peace gap. History teaches that the Western Powers and Russia and her Communist satellites cannot continue down the road of history with a mad, immoral, nuclear armament race and not finally topple over the brink into the abyss of nuclear war to void all hope of victory.

The people of the United States want no war that can be prevented with honor. I am satisfied those people throughout the world, who understand the delicate balance which exists in the world today between war and peace want no war. The cry of humanity is for peace with freedom.

We Democrats must carry the peace issue to the Republicans in this campaign because a continuation of the brinkmanship policy of the Eisenhower administration if it is not stopped will increase greatly the danger of eventual war.

The frequent circumventing of the United Nations by the Eisenhower administration has weakened a needed program for perfecting through the United Nations a sure foolproof, testproof, controlproof disarmament program.

We should never let the people of the United States in this election forget that it was the heir apparent to the Republican nomination, the Vice President of the United States, who sent up the trial balloon for the administration in 1954, calling for American armed intervention in Indochina, while at the same time, our diplomats in the State Department, through secret diplomacy, were seeking to get the British to go along with such a preventive war policy. As Eden's memoirs clearly document, it was Churchill and Eden who scotched that proposal of brinkmanship on the part of the Republican administration.

These famous words of Franklin Roosevelt are significantly applicable to the hour of great foreign policy crisis in which we live. They are dramatically appropo to the responsibility of the Democratic Party in our time to face up to the peace gap. On this issue, the Democratic Party and the American people should never forget those famous and dramatic words of Franklin D. Roosevelt, "Our generation has a rendezvous with destiny." In this campaign, we must take the peace issue to the American people. If we do we shall win and we shall deserve to win.

INCREASE IN AUTHORIZED MAXIMUM EXPENDITURE UNDER THE SPECIAL MILK PROGRAM FOR CHILDREN

The Senate resumed the consideration of H.R. 9331, increasing the authorized maximum expenditure under the special milk program for children.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that an excerpt from the committee report on the bill be printed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

This bill with the committee amendments would increase the amount of Commodity Credit Corporation funds to be used for the special milk program to \$85 million for the current fiscal year (from \$81 million); increase such authorization for next year to \$95 million (from \$84 million), and continue the program thereafter on a permanent

basis at \$95 million annually. The program is currently authorized only until June 30, 1961.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended, so as to read: "An act to extend and increase the authorized maximum expenditure for the special milk program for children."

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. McNAMARA. Mr. President, I move to lay that motion on the table.

The motion to table was agreed to.

CASTRO AND SUGAR

Mr. DWORSHAK. Mr. President, I am a cosponsor of a bill to amend the Sugar Act, and in that connection I ask unanimous consent to have printed in the RECORD an editorial entitled "Castro-Soured Sugar," which was published recently in the Post Register of Idaho Falls, Idaho.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CASTRO-SOURED SUGAR

Not only Idaho, but the Nation has an important stake in proposed changes in the Sugar Act. The four point program calls for:

- (1) Extension of the act through 1964;
- (2) an increase in the basic quotas for the domestic beet and mainland cane areas by 150,000 tons and 50,000 tons respectively;
- (3) authority for the President to reduce the quota for a given calendar year for any foreign country if he finds and proclaims this to be necessary in the national interest; and
- (4) a change in the present procedure and regulations for allotting deficits when a producing area fails to fill its sugar quota because of crop failure or other reasons.

If there is contention over the amendments, it will undoubtedly be focused on the one giving the President authority to reduce the quota for any foreign country if found necessary for "the national interest." It should be bountifully evident to the Nation at large by now that Premier Castro of Cuba is doing his shouting best to upset the sensitive equilibrium which is the signal virtue of the sugar act. Cuba supplies the United States with one-third of our sugar and should Castro's political and economic tumult continue to widen the Atlantic Ocean between the two countries, Uncle Sam simply will have to protect himself. Certainly now there is no prospect for any improvement in relations as the unpredictable premier woos the Communists and assaults the United States with a whimsy that would be laughable if it were not so deadly.

The President must be allowed to fill the void in sugar supply to this country which will undoubtedly be occasioned by Castro's industry-wrecking policies. The sugar beet and cane production in this country fills about one-fourth of this Nation's supply. The rest comes mostly from Cuba, Puerto Rico and the Virgin Islands. The sugar act now encourages the domestic sugar industry to not only maintain its present production but to share importantly in the increased domestic demand. This country

should not be left without any sugar resources certainly even if it can be produced cheaper elsewhere. In time of emergency, there should always be at least a minimum platform for providing this country with its sugar.

The right of the President to reduce an import country's quota for other reasons than maintaining the sugar supply balance, can be argued as well. Cuba has made sugar agreements with Russia. Castro has already moved in on American industry in Cuba. He calls it purchase but the repayment plan to American investors with 20 year bonds at 4½ percent interest is hardly purchase. The bonds will no doubt be worthless.

He has also widely accused the United States with every heinous crime, from bombing Cuban cities to blowing up ammunition ships. There is possibility that Castro might even try to oust the U.S. naval base at Guantanamo Bay. In addition, Castro might well have signed a partnership pact with the Soviets during the recent visit of Soviet Deputy Premier Mikoyan.

With this menacing cloud hovering over the U.S. sugar program, it would seem only wise to give the President the power of free agency to prevent Castro's recklessness from undermining our sound sugar program.

We don't have to take his accusations and his sugar, too.

REDUCTION OF CABARET TAX

Mr. JOHNSON of Texas. Mr. President, I move the Senate proceed to the consideration of Calendar No. 1114, H.R. 2164.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H.R. 2164) to reduce the cabaret tax from 20 percent to 10 percent.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement on the pending bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JAVITS

I favor this bill for the reasons that it eliminates a discriminatory tax rate and reduces the effect of a tax which has had a real deterrent effect on the employment of musicians and other entertainers in restaurants, and other places of entertainment where food is served.

The present 20 percent rate is discriminatory in that the rates of almost all other ad valorem excise taxes do not exceed 10 percent, particularly since it is charged only where there is combined service of food or beverages and entertainment, while the tax on either, if separate, is substantially lower.

The adverse effects of this tax on the employment of musicians is well known and has been testified to by such organizations as ASCAP. The constant elimination of entertainment in restaurants and other places serving food or beverages is in part a direct effect of this tax, coming together with recent technological changes in the entertainment field to cause a serious drop in the employment opportunities for live entertainment.

New York, as the entertainment capital of the Nation has felt particularly the effects of this tax on employment, and I am pleased that the Senate has had this opportunity to complete legislative action on its reduction.

of what fearless leadership can accomplish in a great humanitarian cause. His health insurance bill for the aged seeks to carry out our duty as a political party to promote the general welfare of people.

I am sure that the Senator from Michigan [Mr. McNAMARA] and the Senator from Massachusetts [Mr. KENNEDY], who are here tonight, will join me in trying to get passed through the Senate a bill which carries out the principles of the Forand bill in the House and the Morse bill in the Senate.

In 1958, it was my privilege to be the first to introduce in the Senate a companion bill to the Forand proposal providing health insurance for the aged. That year, I also offered my bill as a floor amendment to the parsimonious and totally inadequate 7-percent social security increase. There wasn't much interest in it at that time in the Senate, but we were at least able to put into the RECORD during the debate the distressing facts of inadequate medical care for those 65 years of age and over. Unfortunately, we could not even get a rollcall vote on it, but in the 2 years since then, we have gained remarkable support. I think it is time to put the Republicans on record before the 1960 election on this human welfare issue.

Congressman FORAND is making a valiant effort to bring his bill out of the House committee. If he is unable to do so, and if likewise a Senate committee fails to report it, I pledge that I shall again offer my companion bill to the Forand proposal for health insurance under our social security system for the aged as a floor amendment to any legislation to which it may be germane prior to adjournment in July. Time has come for the Members of Congress to stand up and be counted on the issue of needed security for the aged of our country.

Mr. President, I ask unanimous consent that my entire manuscript be printed in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR WAYNE MORSE, AT THE MICHIGAN JEFFERSON-JACKSON DAY DINNER, MIDWEST CONFERENCE OF DEMOCRATS, DETROIT, MICH., MARCH 26, 1960

Fellow Democrats, this meeting of Midwest and Michigan Democrats who are honoring two of the greatest historic leaders of our party, Thomas Jefferson and Andrew Jackson, is a proud occasion for Democrats.

Among the distinguished leaders of the Democratic Party who are here tonight—including most of the announced and some of the unannounced candidates for the presidential nomination—we have many men of presidential caliber. Any one of them would serve our Nation with great distinction and honor in the White House.

May I say facetiously that I suspect we also have with us some very able unannounced candidates for the Vice Presidency, too.

Democrats may differ as to which potential nominee would make the best President, but we are unanimous that any one of them is a great statesman, compared with the Republican heir-apparent.

I am not one to say that in 1960, any Democrat can win. I think that no matter whom we nominate, there is a lot of tough going ahead. But win we can, and win we must for the sake of the destiny of our country.

We will win, if we take the issues to the American people in this campaign, and demonstrate once again, as President Truman did in 1948, that the Democratic Party can always be counted on to fight for a program which will promote the general wel-

fare of all the people. In keeping with the spirit and philosophy of Thomas Jefferson and Andrew Jackson, the Democratic Party must make clear in the campaign of 1960 that we can be counted on to protect the economic weak in our country from exploitation by the economic strong.

Democrats may differ also as to the emphasis and order of priority which should be given to the major political issues demanding solution in this period of national and world crisis. You hear it said that public discussion and debate within our party in respect to major domestic and foreign issues should be avoided.

Those who so contend seem to forget that vigorous political debate between candidates on vital issues is an essential part of our democracy. We should remember that a monolithic political party is as destructive of democratic processes as a monolithic state. It is only where issues are freely discussed that sound public policy can be arrived at.

Fortunately, the Democratic Party has historic, built-in protections against control by a high command. We are a party of brains, energy, and independence of mind. As long as we stay that way, we will never have our candidates, and our platform picked for us by reactionary political bosses.

Politics by the dictation of bossism is the Republican way. No one knows that better than I do. I refused to submit to the political expediency, compromise of political ethics, and reactionary political bossism of the Republican Party. After years of fighting for liberalism in the Republican Party, it became perfectly evident to me that the only hope for constitutional liberalism is within the Democratic Party of Jefferson, Jackson, Wilson, Franklin Roosevelt, and Harry Truman. Upon the invitation of leaders of the Democratic Party in my State of Oregon and the Nation, endorsed by thousands of rank and file Democrats, I proudly joined the Democratic Party, and I have no regrets.

Several thousand Democrats in my State have placed my name on the presidential ballot as a favorite-son candidate. Many Democrats in the District of Columbia and the State of Maryland have organized a campaign in my behalf, and I shall take the issues as I see them to the Democratic voters in those campaigns. Many other Democratic supporters are working in my behalf for delegates in convention States.

My campaign will be based on the teaching of Jefferson that a democracy can be no stronger than the enlightenment of its people. I shall discuss the issues of this campaign as I see them, believing that political debate on the vital issues is an essential part of political education in our democracy.

We Democrats must never forget that the true wealth of America is not material wealth. It is not a Wall Street; it is not the smokestacks of our factories. The true wealth of America is human wealth. It is people. It is 180 million people who are the heirs of the great constitutional legacy handed down to us by the far-seeing revolutionary patriots of Jefferson's time. They made clear in the debates and the historic documents they wrote which brought into being our constitutional guarantees of economic and political freedom for the individual that the primary objective of our system of constitutional self-government is to promote the general welfare of all of our people at all times. That doctrine is the very essence of the liberalism of the Democratic Party.

This human rights doctrine of the greatest good for the greatest number, protecting at the same time the constitutional economic and political rights of minorities, epitomizes the political programs of such great liberal Democratic Presidents as Jefferson, Jackson, Wilson, Franklin Roosevelt, and Truman.

There are those who say that we have entered a new era and the human welfare goals of the New Deal of Roosevelt and the Fair Deal of Truman are no longer applicable to the needs of the Nation. Nothing could be more wrong. It is wrong because the philosophical principles of liberalism of the era of Roosevelt and Truman, based upon the general welfare doctrines of Jefferson, are immutable. They must not be compromised at the altar of political expediency in the historic campaign of 1960.

The great issue of protecting human rights presents us with a political crisis in our country today. The Democratic Party must not try to duck it. It can never justify compromising it. Liberals must remember that when they compromise a principle, there is no principle left. They must recognize that the only practicality is an ideal put to work.

The Democratic Party in this hour of history must face up to the challenge of putting the political ideals of the 14th and 15th amendments of the Constitution to work. Voting rights legislation is not enough of an answer to the demands of millions of our people that they be granted full first-class citizenship in the United States.

An effective enforceable voting rights law should be passed in this session of Congress, but there should be added to it enforcement procedures and legal remedies which will guarantee the carrying out of the historic decisions of the U.S. Supreme Court in respect to desegregation.

Another human rights issue for which the Democratic Party must continue to fight is adequate health care for our aged. A fine liberal Democrat, Congressman FORAND of Rhode Island, has given us a great example of what fearless leadership can accomplish in a great humanitarian cause. His health insurance bill for the aged seeks to carry out our duty as a political party to promote the general welfare of people. I am sure that Senator McNAMARA and Senator KENNEDY who are here tonight will join me in trying to get passed through the Senate a bill which carries out the principles of the Forand bill in the House and the Morse bill in the Senate.

In 1958, it was my privilege to be the first to introduce in the Senate a companion bill to the Forand proposal providing health insurance for the aged. That year, I also offered my bill as a floor amendment to the parsimonious and totally inadequate 7 percent social security increase. There wasn't much interest in it at that time in the Senate, but we were at least able to put into the record during the debate the distressing facts of inadequate medical care for those 65 years of age and over. Unfortunately, we could not even get a rollcall vote on it, but in the 2 years since then, we have gained remarkable support. I think it is time to put the Republicans on record before the 1960 election on this human welfare issue.

Congressman FORAND is making a valiant effort to bring his bill out of the House committee. If he is unable to do so, and if likewise a Senate committee fails to report it, I pledge that I shall again offer my companion bill to the Forand proposal for health insurance under our social security system for the aged as a floor amendment to any legislation to which it may be germane prior to adjournment in July. Time has come for the Members of Congress to stand up and be counted on the issue of needed security for the aged of our country.

Time prevents my mentioning but one more issue—one this one in the field of foreign policy. Much has been said about the missile gap, and I shall continue to give full support to maintaining our military defenses so that Russia will always understand that she has everything to lose and nothing to gain by an aggressive course of action against the free world. But let us not forget that we are living in a strange paradox.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

Issued April 1, 1960
For actions of March 31, 1960
86th-2d, No. 59

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HIGHLIGHTS: Senator Bennett commended the rural development program.

SENATE

1. RURAL DEVELOPMENT PROGRAM. Sen. Bennett praised the rural development program as "one of the soundest and most promising farm programs instituted during recent years, and one which is unfortunately receiving far less public attention than it deserves," stated that the program "could well be the answer to the problem we are facing ... that is, the large-scale migration of our citizens to the cities, producing dying communities in some of our rural area," and inserted several items discussing the program, including the interest of Canada in the program. pp. 6508-10
2. D. C. APPROPRIATION BILL, 1961. Agreed to the conference report on this bill, H. R. 10233, and acted on amendments in disagreement. This bill will now be sent to the President. pp. 6451-2
3. CRANBERRY PAYMENTS. Sen. Wiley commended "the announcement made by the White House that the Department of Agriculture will offer to make indemnity payments to cranberry growers who -- through no fault of their own -- sustained losses on berries harvested in 1959," and stated that payments "to the growers will approximate \$8 per barrel of cleaned, marketable cranberries and will be made pursuant to the authority conferred by section 32 of Public Law 320 of the 74th Congress, as amended. Details of this offer to make such payments are expected

to be forthcoming from the Department of Agriculture shortly." pp. 6510-1

4. FARM PROGRAM. Sen. Carlson inserted a Coffey County (Kan.) Farmers Union resolution favoring a "Federal farm price support bill" to provide farmer elected committees from county to national levels, a national food use program, support levels at not less than 90 percent of current parity, and a wide variety of methods to carry out these programs, including Government loans, marketing orders, allotments, incentive payments, and a strong soil conservation program. p. 6498
5. NOMINATIONS. Received the nominations of Lester C. Carter and Robert T. Lister to be members of the Federal Farm Credit Board. p. 6556

HOUSE

6. CASEIN IMPORTS. Agreed to the Senate amendment to H. R. 7456 which, as amended, extends the existing suspension of import duty on casein only until July 1, 1960, rather than until April 1, 1963, as in the original House bill. This bill will now be sent to the President. pp. 6564
7. WHEAT. Agreed to the Senate amendment of H. R. 4874, to provide that farms on which the farm marketing excess of wheat is adjusted to zero because of over-production shall be regarded as farms on which the entire amount of the farm marketing excess of wheat has been delivered to the Secretary or stored to avoid or postpone the payment of the penalty. The Senate amendment is technical and clarifies the exemption of 15 acre feed wheat farms from provisions of the bill. This bill will now be sent to the President. pp. 6567-8
8. SPECIAL MILK PROGRAM. House conferees were appointed on/ ^{HR 9331, to increase the} authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program. Senate conferees have not yet been appointed. p. 6567.

9. ACREAGE ALLOTMENTS. Agreed to the Senate amendment to H. R. 8343, to require the preservation of acreage allotments on land from which the owner is displaced by reason of the acquisition thereof by a Government agency in the exercise of the right of eminent domain so long as the land remains leased to the former owners of the land. The Senate amendment extended from 1 to a period of 2 years the time which former owners would have to make such a lease and have their allotment returned. This bill will now be sent to the President. p. 6568
10. RYUKYU ISLANDS. Subcommittee No. 2 of the Armed Services Committee reported to the full committee H. R. 1157, to provide for promotion of economic and social development in the Ryukyu Islands. p. D258
11. TRANSPORTATION. Rep. Fascell inserted a speech made by Mr. A. Arpaia, former member of the Interstate Commerce Commission, which calls for a "reorientation of the Government's role in transportation and a complete revision of the law relating to the Government's regulatory function. pp. 6472-3
12. FARM PROGRAM. Rep. Poage criticized two newspapers for using supposed quotes from his bill H. R. 10355, the family farm income bill which, he said, are not found in the bill. He was particularly critical of the article in a Farm Bureau publication and suggested that his fellow Farm Bureau members might "be interested in trying to get leadership in Washington and Chicago which can and will give a more factual and unbiased review of what efforts are being made by the Congress in behalf of the farm people throughout the Nation." pp. 6600-1

ber 29, 1937; reappointed and elected Chairman April 18, 1940; reappointed and elected Chairman March 16, 1945.

Lee Lawrie, sculptor; appointed January 18, 1933, to fill the vacancy caused by the termination of service of Adolph A. Weinman.

John Mead Howells, architect; appointed January 25, 1933, to fill the vacancy caused by the termination of service of John W. Cross.

Eugene F. Savage, painter; appointed February 11, 1933, to fill the vacancy caused by the termination of service of Ezra Winter; reappointed January 26, 1937, and term of service expired March 28, 1941.

Charles A. Coolidge, architect; appointed December 14, 1933, to fill the vacancy caused by the death of John L. Mauran. Mr. Coolidge died April 1, 1936.

Charles L. Borie, Jr., architect; appointed February 17, 1936, to fill the vacancy caused by the termination of service of Egerton Swartwout.

Henry R. Shepley, architect; appointed April 28, 1936, to fill the vacancy caused by the death of Mr. Coolidge; elected Vice Chairman August 10, 1938.

William F. Lamb, architect; appointed January 19, 1937, to fill the vacancy caused by the termination of service of Mr. Howells; reappointed March 24, 1941; elected Vice Chairman May 9, 1941.

Paul Manship, sculptor; appointed January 22, 1937, to fill the vacancy caused by the termination of service of Mr. Lawrie.

Edward Bruce, art critic; appointed January 19, 1940, to fill the vacancy caused by the termination of service of Mr. Moore. Mr. Bruce died January 26, 1943.

Paul P. Cret, architect; appointed April 25, 1940, to fill the vacancy caused by the termination of service of Mr. Borie. Reappointed March 17, 1945. Dr. Cret died September 8, 1945.

John A. Holabird, architect; appointed May 3, 1940, to fill the vacancy caused by the termination of service of Mr. Shepley. Reappointed March 19, 1945. Mr. Holabird died May 4, 1945.

Henry V. Poor, painter; appointed March 29, 1941, to fill the vacancy caused by the termination of service of Mr. Savage.

Ralph Stackpole, sculptor; appointed October 6, 1941, to fill the vacancy caused by the termination of service of Mr. Manship.

David E. Finley, museum director; appointed May 11, 1943, to fill the vacancy caused by the death of Mr. Bruce; reappointed May 16, 1947; reappointed June 4, 1951.

William T. Aldrich, architect; appointed August 30, 1945, to fill the vacancy caused by the death of Mr. Holabird.

L. Andrew Reinhard, architect; appointed August 31, 1945, to fill the vacancy caused by the termination of service of Mr. Lamb.

Maurice Sterne, painter; appointed September 4, 1945, to fill the vacancy caused by the termination of service of Mr. Poor.

Frederick V. Murphy, architect; appointed November 30, 1945, to fill the vacancy caused by the death of Dr. Cret.

Lee Lawrie, sculptor; appointed December 5, 1945, to fill the vacancy caused by the termination of service of Mr. Stackpole.

Joseph Hudnut, architect; appointed June 28, 1950, to fill the vacancy caused by the termination of service of Mr. Clarke.

Edward F. Neild, Sr., architect; appointed June 26, 1950, to fill the vacancy caused by the termination of service of Mr. Aldrich.

Felix W. deWeldon, sculptor; appointed June 26, 1950, to fill the vacancy caused by the termination of service of Mr. Lawrie.

Pietro Belluschi, architect; appointed June 30, 1950, to fill the vacancy caused by the termination of service of Mr. Reinhard.

Elbert Peets, landscape architect and city planner; appointed August 4, 1950, to fill the vacancy caused by the termination of service of Mr. Murphy.

George Biddle, painter; appointed August 8, 1950, resigned August 19, 1951; reappointed to succeed himself January 20, 1953.

SECRETARIES AND EXECUTIVE OFFICERS

The officer in charge of public buildings and grounds, ex officio.

Col. Spencer Cosby, U.S. Army, 1910-13; served until detailed as military attaché at the American Embassy, France.

Col. William W. Harts, U.S. Army, 1913-17; served until relieved and assigned for military duty in France.

Maj. C. S. Ridley, U.S. Army, 1917-21. Lt. Col. C. A. Sherrill, U.S. Army, 1921-22.

H. P. Caemmerer, 1922-54. Linton R. Wilson, 1954 to date.

SIGNING OF ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Monday, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

SPECIAL MILK PROGRAM FOR CHILDREN

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 9331) to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. COOLEY, POAGE, ABERNETHY, JOHNSON of Wisconsin, HOEVEN, DAGUE, and MCINTIRE.

FARM MARKETING EXCESS OF WHEAT

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4874) to amend section 334 of the Agricultural Adjustment Act of 1938, as amended, to provide that for certain purposes of this section, farms on which the farm marketing excess of wheat is adjusted to zero because of underproduction shall be regarded as farms on which the entire amount of the farm marketing excess of wheat has been delivered to the Secretary or stored to avoid or postpone the payment of the penalty, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That section 334 of the Agricultural Adjustment Act of 1938, as amended, is further amended by inserting a new subsection (d) between subsections (c) and (e) to read as follows:

"(d) For the purposes of subsections (a), (b), and (c) of this section, any farm—

"(1) to which a wheat marketing quota is applicable; and

"(2) on which the acreage planted to wheat exceeds the farm wheat acreage allotment; and

"(3) on which the marketing excess is zero

shall be regarded as a farm on which the entire amount of the farm marketing excess has been delivered to the Secretary or stored in accordance with applicable regulations to avoid or postpone the payment of the penalty. This subsection shall be applicable in establishing the acreage seeded and diverted and the past acreage of wheat for 1959 and subsequent years in the apportionment of allotments beginning with the 1961 crop of wheat. For the purpose of clause (1) of this subsection, a farm with respect to which an exemption has been granted under section 335(f) for any year shall not be regarded as a farm to which a wheat marketing quota is applicable for such year, even though such exemption should become null and void because of a violation of the conditions of the exemption."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. COOLEY]?

Mr. HOEVEN. Mr. Speaker, reserving the right to object, would the gentleman from North Carolina explain the nature of the Senate amendment?

Mr. COOLEY. Mr. Speaker, the Senate amendment is technical. It does not change the substance of the bill, but merely makes it clear that the bill does not apply to those farms which are exempt from the quotas, that is, the 15-acre feed wheat exemption. It clarifies the effective date of the legislation.

Mr. HOEVEN. And it does not change the substance of the bill whatsoever?

Mr. COOLEY. It does not change the substance of the bill one bit.

Mr. HOEVEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PRESERVING ACREAGE ALLOTMENTS ON CERTAIN LAND TAKEN UNDER EMINENT DOMAIN

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 8243) relating to the preservation of acreage allotments on land from which the owner is displaced by reason of the acquisition thereof by a Government agency in the exercise of the right of eminent domain, with an amendment of the Senate thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 7, strike out "one year" and insert "two years".

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. HOEVEN. Mr. Speaker, reserving the right to object, will the chairman explain the nature of the Senate amendment?

Mr. COOLEY. Mr. Speaker, I have a brief explanation prepared which I will be glad to read.

Mr. Speaker, in 1958, Congress enacted a law—Public Law 85-835—providing a uniform policy for the transfer of acreage allotments to new farms when a farm having such an allotment is taken by a public agency having the power of eminent domain. By oversight, no provision was made for instances, which are becoming increasingly common, where the previous owner is permitted to occupy and operate the land under lease until it is actually needed for the purpose for which it was taken.

This bill takes care of such situations by providing that if the former owner is permitted by the acquiring agency to continue to operate the land under lease for some period of time, he will be permitted to grow crops subject to allotment at the time title was acquired by the public agency.

The House bill gave former owners 1 year after the enactment of this bill in which to make such a lease and have their allotment returned. The Senate amendment changes this to 2 years. It is the only change in the bill.

Mr. HOEVEN. Then, Mr. Speaker, my understanding is the Senate amendment only makes this one change, from 1 year to 2 years?

Mr. COOLEY. That is right.

Mr. HOEVEN. Mr. Speaker, I have consulted with the gentleman from Kansas [Mr. SMITH] who is interested in this

legislation and he agrees to the amendment.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

THE LATE HARRY S. TANSEY

(Mr. O'HARA of Illinois asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. O'HARA of Illinois. Mr. Speaker, it is my sad duty to inform the House of the death of Harry S. Tansey. For 23 years he served the House faithfully, many years as one of our doorkeepers. During this long period of loyal service he endeared himself to all the Members. There is deep grief in this Chamber at his passing. His heart was in this House, and now that he has left us the hearts of all are deeply touched. To his wife, his daughter, and his sisters flows our sympathy.

Harry Tansey came from the district that I have the honor to represent and from the ward in Chicago in which for many decades I have had my home. During these years Harry Tansey has been my valued friend, and his brother, the late John P. Tansey, was one of my closest and dearest friends for over half a century.

Last night I visited the funeral home to say my last farewell. Today in Chicago a multitude of men and women in the Second District will be paying the last homage to his memory. He will be missed there, sadly missed, and he will be missed so very much here.

We in this House, in a personal sense, are one family that embraces in a family affection both the Members and those who work in our offices and work with us here in the Capitol. Together we do the work of the Congress. Harry Tansey long was of that family, and long will he be missed.

I yield to the gentleman from Illinois [Mr. KLUCZYNSKI].

Mr. KLUCZYNSKI. Mr. Speaker, it is with a truly heavy heart that I rise today and attempt to express with mere words my genuine sorrow at the death of a longtime and valued friend, Harry S. Tansey. He was a kind and gentle person who loved his fellow man. He served as a Doorkeeper in the House of Representatives for many years and was the senior man in point of service in the House gallery. He also served with the Capitol Police force in the document room and folding room. During his period of service there never was a complaint of any kind ever registered against him as he knew well how to be kind to people.

To his bereaved widow Catherine, to his daughter, Mrs. Catherine Tanner, and family, and to his sisters, Mrs. Kluczynski and myself offer our heartfelt sympathy and condolence.

Mr. O'HARA of Illinois. Mr. Speaker, I yield to the gentleman from Illinois [Mr. MURPHY].

Mr. MURPHY. Mr. Speaker, I rise with a great deal of emotion today to pay my respects to the late Harry Tansey. It was just a week ago Sunday that I attended church with him and escorted him for several blocks in a walk toward his home. I feel that with 20 years' service in this body as doorkeeper, and my acquaintanceship with the gentleman during that period and also my friendship with him in the city of Chicago, it was a great shock to learn of his death. I want to extend to his bereaved wife and daughter my heartfelt sympathy.

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may have 5 legislative days in which to extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BURKE of Massachusetts. Mr. Speaker, I would like to take this time to extend my condolences to the widow of Harry Tansey and his daughter and family. Harry was very well liked by all of us here in the Congress and I know that he was very helpful to many of my constituents from Massachusetts. Always very kind and courteous and with a kind word each day to those who visited in the gallery, he will be greatly missed by me and many other Congressmen here in the House.

Mr. O'BRIEN of Illinois. Mr. Speaker, in the death of Harry S. Tansey I have lost a friend of many years. His elder brother, John P. Tansey, was one of the leaders of the Democratic Party in Cook County when I was a young man and our friendship had continued until his death not many months ago. Harry Tansey was a good man and in his 23 years of service with the House he was faithful in the performance of his duty and won the respect and affection of the Members and his fellowworkers.

Mrs. O'Brien joins me in expression of deep sympathy to his wife, his daughter, and his sisters.

Mr. PUCINSKI. Mr. Speaker, I would like to join in the tribute being paid to the late Harry Tansey, a native of Chicago, who for the last 23 years has been one of the most devoted employees in the Congress of the United States.

Mr. Tansey's untimely death will indeed leave a most saddened void in Gallery C, where this kind and gentle employee had served as doorkeeper, of the House of Representatives.

Mr. Speaker, it would be difficult to estimate the thousands upon thousands of people who had occasion to ask Mr. Tansey for guidance during these past 23 years when they made their visits to this Chamber. But I can assure you and my colleagues that no one would find any difficulty in assessing the high regard and respect these people engendered as a result of their meeting Mr. Tansey. He had a unique ability to

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OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
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HIGHLIGHTS: Senate agreed to conference report on second supplemental appropriation bill. Senate committee reported bill to expand authority to make additional loans for watershed protection. House committee reported mutual security authorization bill.

HOUSE

1. MUTUAL SECURITY. The Foreign Affairs Committee reported without amendment H. R. 11510, the mutual security authorization bill (H. Rept. 1464). p. 7003
2. JUDICIAL REVIEW. The Judiciary Committee reported with amendment H. R. 7847, to make the uniform law relating to the record on review of agency orders applicable to the judicial review of orders issued under the Federal Aviation Act of 1958 and the Food Additives Amendment of 1958 (H. Rept. 1462). p. 7003
3. APPROPRIATIONS. Agreed to allow the Appropriations Committee until midnight, Friday, April 8, to file a report on the State, Justice, and Judiciary appropriation bill for 1961. p. 6963
4. WATER COMPACT. The Irrigation and Reclamation Subcommittee of the Interior and Insular Affairs Committee voted to report to the full committee H. R. 10513, granting the consent of Congress to Kansas and Nebraska to negotiate and enter into a compact relating to the apportionment of the waters of the Big Blue River and its tributaries as they affect such States. p. D285
5. PERSONNEL. A subcommittee of the Judiciary Committee voted to report unfavorably to the full committee H. R. 10135 and H. R. 10188, to include certain officers and employees of the Department of Labor within the provisions of section 111 and 1114 of title 18 of the U. S. Code relating to assaults and homicides. p. D285

6. POSTAL SERVICE; CERTIFIED MAIL. The Post Office and Civil Service Committee voted to report (but did not actually report) H. R. 10996, to authorize the use of certified mail for the transmission or service of matter required by certain Federal laws to be transmitted or served by registered mail. p. D286
7. WATERSHED. The Agriculture Committee approved a watershed project for White Clay Brewery and Whiskey Creek, Kans. p. D285
8. LAMB IMPORTS. The "Daily Digest" states that the Agriculture Committee "adopted a resolution expressing the committee's sense on lamb imports." p. D285
9. FOREIGN AID. Rep. Whitener inserted an article in support of President Lleras' request for additional foreign aid. p. 6992
10. TRANSPORTATION. Rep. Osmer urged support of his bill, H. R. 3983, to repeal the 10% excise tax on domestic transportation. pp. 6994-5
11. MINIMUM WAGE. Rep. Roosevelt urged support of the proposed \$1.25 hour minimum wage law, arguing that chain stores' profit picture shows that they can afford to pay the additional cost. pp. 6995-6
12. FOREIGN TRADE. Rep. Bailey inserted an article which "throws up some alarming facts about the fast-developing competition from abroad" and urged support of resolutions which would express "the sense of Congress that we should grant no further tariff deductions." pp. 6996-7001
13. LEGISLATIVE PROGRAM. Rep. McCormack stated that the State, Justice, Judiciary appropriation bill for 1961 will be considered on Tues., Apr. 15. p. 6963
14. ADJOURNED until Mon., Apr. 14. p. 7003

SENATE

15. SECOND SUPPLEMENTAL APPROPRIATION BILL, 1960. Agreed to the conference report on this bill, H. R. 10743, and acted on amendments in disagreement. (pp. 7078-84) This bill will now be sent to the President. See Digest 62 for items of interest to this Department.
16. WATERSHED PROJECTS. The Agriculture and Forestry Committee reported with amendments H. R. 4781, to make the provisions of the Watershed Protection and Flood Prevention Act applicable to the 11 major watershed projects included in the watershed improvement programs authorized by the Flood Control Act of 1944 (S. Rept. 1238). p. 7013
17. RECLAMATION. The Interior and Insular Affairs Committee reported with amendments S. 1092, to provide for the construction of the Cheney division, Wichita Federal reclamation project, Kan. (S. Rept. 1239). p. 7013
18. SPECIAL MILK PROGRAM. Senate conferees were appointed on H. R. 9331, the special milk bill. (p. 7016) House conferees have already been appointed.
19. LAMB IMPORTS. Sen. McGee inserted the statement of Sen. Moss before the U. S. Tariff Commission, Mar. 22, 1960, urging stricter control on the imports of lamb and mutton, and stating that "it does not make sense for this country to attempt to maintain a strong sheep industry as a strategic defense weapon through the wool act, and at the same time invite its ruin in the form of imports of sheep, lamb, and mutton." pp. 7028-9

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and referred to the Committee on Foreign Relations; and, without objection, the amendment and explanation will be printed in the RECORD.

The amendment and explanation presented by Mr. WILLIAMS of Delaware are as follows:

On page 7, between lines 11 and 12, insert the following:

"(a) In section 502(b), which relates to the use of foreign currencies by congressional committees, amend the second sentence to read as follows: 'Within the first sixty days that Congress is in session in each calendar year, the chairman of each such committee shall prepare a consolidated report showing the total itemized expenditures during the preceding calendar year of the committee and each subcommittee thereof, and of each member and employee of such committee or subcommittee, and shall forward such consolidated report to the Committee on House Administration of the House of Representatives (if the committee be a committee of the House of Representatives or a joint committee whose funds are disbursed by the Clerk of the House) or to the Committee on Appropriations of the Senate (if the committee be a Senate committee or a joint committee whose funds are disbursed by the Secretary of the Senate).'"

Redesignate subsections (a) to (h) as (b) to (i), respectively.

EXPLANATION OF AMENDMENT

Section 502(b) of the Mutual Security Act of 1954, which permits the use of foreign currencies by congressional committees in defraying local currency expenses, requires members and employees of committees to file with the chairmen of the respective committees itemized reports showing the amounts and dollar equivalent values of each foreign currency expended and the purposes of the expenditure. Within the first 60 days that Congress is in session in each calendar year, the chairman of each committee is required to consolidate the reports of the members and employees of his committee and forward the consolidated report, showing total itemized expenditures of the committee and each subcommittee thereof, to the Senate Committee on Appropriations in the case of a Senate committee or to the Committee on House Administration in the case of a House committee. Each such consolidated report is then required to be published in the CONGRESSIONAL RECORD.

Under the proposed amendment, the report required to be submitted by the chairman of each committee, and to be published in the CONGRESSIONAL RECORD, would disclose not only the total annual itemized expenditures of the committee and its subcommittees but also the total annual itemized expenditures of each member and employee of the committee.

CIVIL RIGHTS ACT OF 1960— AMENDMENT

Mr. ROBERTSON. Mr. President, when H.R. 8601 was pending before the Committee on the Judiciary, I submitted an amendment to strike out all the language in the bill relating to the provisional voting on the ground that it violated the registration laws of the States, that it violated the rules of secrecy of all the States, and certainly, with respect to voting machines, that it was absolutely unworkable.

That amendment, I understand, was presented to the committee in a brief way, and along with a number of others, was rejected.

Mr. President, I now send the same amendment to the desk and ask unanimous consent that it be printed in the RECORD, and lie on the table.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 19, beginning at line 19, and continuing through page 20, line 2, strike out the following:

"In the case of any application filed twenty or more days prior to an election which is undetermined by the time of such election, the court shall issue an order authorizing the applicant to vote provisionally. In the case of an application filed within twenty days prior to an election, the court, in its discretion, may make such an order. In either case the order shall make appropriate provision for the impounding of the applicant's ballot pending determination of the application."

Mr. ROBERTSON subsequently said: Mr. President, this morning I submitted an amendment to strike out all of the provisional voting section of title VI, saying that I had offered the amendment to the chairman of the Committee on the Judiciary, but that it was not accepted by the committee.

Of course the amendment of the Senator from Illinois [Mr. DIRKSEN] makes the bill more acceptable and better; but I felt that there was no real place for any provisional voting section in the bill.

I ask unanimous consent to have printed at this point in the RECORD, a statement which I had planned to make today in support of my own amendment.

Of course, while the Dirksen amendment does not go so far as I think it should, I intend to support it.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ROBERTSON PROVISIONAL VOTING

The amendment I submitted earlier today, and which is printed in the RECORD, would strike from the voting referee proposal the three sentences which make arrangements for provisional voting.

These arrangements for provisional voting should be eliminated from the bill because they will encourage and stimulate last-minute swamping of elections in violation of State laws providing for the orderly conduct of registrations and voting, because they are impracticable and unworkable, and because they will inevitably result in destroying the secrecy of the ballot.

The first of the three sentences which my amendment would strike from the bill provides that, if an application is filed 20 days or more before an election, and has not been determined by the time of the election, the court must issue an order authorizing the applicant to vote provisionally.

This provision is mandatory. The mere filing of an application, or of a thousand applications, 20 days before the election, combined with the fact that the applications have not been determined by the time of the election, compels the court to let the applicant vote provisionally. Even if the

court's inability to determine the application is entirely the result of the applicant's fault, even if the court is about to deny the application, the court has no alternative but to authorize him to vote provisionally. Unless the court has issued an order rejecting the application, every applicant filing 20 days before an election must be permitted to vote provisionally.

Every State I know of requires that voters who are to vote in an election must register well in advance of the election. In Virginia, for example, a voter must have registered at the place he is to vote at least 30 days before a primary or general election. He is not permitted to register during the 30 days before the primary or general election. I understand that in Arizona a voter must register at least a month before an election; in California, 53 days; in Colorado, 15 days; in Florida, 30 days; in Georgia, 6 months; in Illinois, 28 days; in Indiana, 28 days; in Kentucky, 59 days; in Louisiana, 30 days; in Maryland, 30 days before a primary and 42 days before a general election; in Massachusetts, 31 days before presidential or State primary or a general election; in Michigan, 30 days; and in New Jersey, 40 days.

These requirements are obviously necessary to the orderly conduct of an election. Without knowing the number of voters who are eligible to vote in an election it would be impossible to tell how many ballots were needed if paper ballots were used or how many voting machines were needed if they were used. In addition, in most States candidates wish to send information about their candidacy and their qualifications to voters.

All these State provisions essential to the orderly conduct of an election would be nullified, and the elections turned into a shambles, if hundreds or thousands of voters could file their applications 20 days before an election, in numbers so large that the court could not possibly consider this flood of applications, and thereby get an unchallengeable right to vote provisionally.

The disastrous effect of such a last minute flood of voters in the orderly conduct of an election would be bad enough if the election officials actually had 20 days notice of these votes. But there is nothing in the bill to require that the election officials be notified of these applications in advance of the election, and there is nothing which would give them any suggestion in advance of the election as to how many of these applications might be determined before election day, either favorably or unfavorably.

The second of the sentences which my amendment would strike from the bill provides that in the case of applications filed within 20 days of an election the court may authorize the applicant to vote provisionally. This sentence at least gives the judge some discretion under it. He is not compelled to grant every last minute application and if he chooses he can prevent the disorder and confusion which would result from authorizing, on the night before the election, hundreds or thousands of voters to turn up at the polls the next day to vote provisionally. But the bill gives him authority to do this. It creates the threat of such disorderly conduct.

The third sentence which this amendment would strike from the bill provides that the court's order must make "appropriate provision for the impounding of the applicant's ballot" until his application has been determined.

This provision would be difficult, and in many cases impossible, to reconcile with secrecy of the ballot. In addition, in the case of voting on voting machines, this provision is literally impossible to carry out.

The Senate and the Congress should not enact legislation which would violate the secrecy of the ballot. Equally important, the Senate and the Congress should not

enact legislation knowing full well that in at least large areas of the country, the statute cannot possibly be carried out.

In Virginia there are a number of provisions to enforce the secrecy of the ballot. For example, under section 24-193 of the Virginia Code, it is a misdemeanor to hinder or tamper with voters in any way so as to prevent the casting of a secret ballot. The only exception is that under section 24-251 of the Virginia Code, a person registered before January 1, 1904, or a person who is physically unable to prepare his ballot without aid, may be helped by one of the judges of election designated by himself. And even in that case the judge must not enter the booth with the voter unless requested by him to do so, and he "shall not in any manner divulge or indicate, by signs or otherwise, the name of the person or persons" for whom the vote is cast. If voting machines are used, section 24-305 of the Virginia Code provides that "the judges of election shall not themselves be, or permit any other person to be, in any position or near any position that will permit them to see or ascertain how a voter votes or how he has voted." Again, the only exception is for voters registered before January 1, 1904, and voters physically unable to prepare their ballots without aid.

The secret ballot has been considered a vital and integral part of American elections for generations. I am sure most, if not all, of the States have statutes comparable to those of Virginia prohibiting interference with this right. In my judgment, this right should be respected, and the Congress should not enact legislation which would nullify these statutes and deprive voters of this right.

It would be possible to make appropriate provision for the impounding of an applicant's ballot, if the applicant cast his provisional vote on a paper ballot. As soon as he has voted, his ballot could be stamped with his name and address, and set aside and kept until his right to vote had been determined. But this would do away with the right to a secret ballot which is given in most States.

It might be possible if sufficient time were available, and if the State's statutes permitted it, to make arrangements for provisional voting under some kind of arrangements comparable to those made for absentee voters. However, all kinds of questions would obviously arise, depending upon the State's statutes—who would prepare the necessary forms, who would pay for them, who would handle them, and the like. At best, making arrangements of this sort would take a great deal of time and expense. If the election officials were given only 20 days, or even worse if they were given only 5 or 10 days, to set up a system of provisional voting, it would probably be completely impossible to work out any practicable arrangements for provisional voting in secret.

Provisional voting, where voting machines are used, raises additional problems. In the first place, it is obviously a literal impossibility to impound the ballot of a person who has cast his vote by pressing down levers on a voting machine, and then recording it on a device in the machine by throwing back a lever. I defy anyone to tell me how such a ballot can be impounded.

Of course, it would be possible for the voting referee to go into the booth along with the provisional voter and make a record of the way he voted, so that if it were later found he had no right to vote, his vote could be deducted from the totals. This would, of course, violate any State laws requiring secrecy of the ballot. It would certainly give the voting referee a most undesirable control over the voters he had registered. A referee who wanted to control an election could ask for little more than the power to register voters at will and the

right to go into the booth to make sure they had followed his instructions for voting.

The arrangements for provisional voting are not necessary. Would-be voters can and should file their applications sufficiently far ahead of the election so that applications can be considered and determined well in advance of the election. The bill instructs the courts to determine the applications expeditiously. Early filing of the applications and prompt consideration will make for orderly and well conducted elections.

The arrangements for provisional voting contained in these three sentences of the bill will actually encourage would-be voters to wait until the last minute and then to file applications in such numbers that they cannot be determined in advance of the election.

These impracticable and unworkable arrangements, which will encourage last minute floods of voters, which will make for disorderly elections, and which will imperil the secrecy of the ballot, should be eliminated from the bill.

NOTICE OF HEARING ON NOMINATION OF LELAND BARROWS, TO BE AMBASSADOR TO THE STATE OF CAMEROUN

Mr. FULBRIGHT. Mr. President, on behalf of the Committee on Foreign Relations, I desire to announce that the Senate today received the nomination of Leland Barrows, of Kansas, to be Ambassador to the State of Cameroun.

In accordance with the committee rule, the pending nomination may not be considered prior to the expiration of 6 days.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary.

William L. Longshore, of Alabama, to be U.S. attorney, northern district of Alabama, for a term of 4 years—reappointment.

Ralph Kennamer, of Alabama, to be U.S. attorney, southern district of Alabama, for a term of 4 years—reappointment.

Joseph S. Bambacus, of Virginia, to be U.S. attorney, eastern district of Virginia, for a term of 4 years, vice Lester S. Parsons, resigned.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, April 14, 1960, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. CANNON:

Editorial entitled "Changing the Mixture," published in Aviation Week, on April 4, 1960.

By Mr. KEFAUVER:

Editorial on price cut by the General Electric Corp., published in the Nashville Tennessean.

By Mr. WILEY:

Article entitled "Busy Dodge County Owes Fame to Cow," written by Robert W. Wells; and article entitled "Dodge Tops State in Cheese Making," both published in the Milwaukee (Wis.) Journal of March 31, 1960.

By Mr. McGEE:

Article entitled "Forgotten Clues to the TV Crisis," written by Jack Gould and published in the New York Times Magazine of December 13, 1959; and article entitled "FCC Study of 'Payola' Is Far From Conclusive," written by Lawrence Laurent, and published in the Washington Post and Times Herald of April 7, 1960.

Article entitled "Democrats Hit Unused Plant, Men," written by Frank C. Porter and published in the Washington Post of April 7, 1960.

By Mr. BUSH:

Letter distributed by the Bristol Brass Corp. to its employees dealing with the importation of brass mill products.

INCREASED EXPENDITURE UNDER SPECIAL MILK PROGRAM FOR CHILDREN, FISCAL YEARS 1960 AND 1961

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 9331) to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ELLENDER. Mr. President, I move that the Senate insist upon its amendments and agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. ELLENDER, Mr. HOLLAND, Mr. HUMPHREY, Mr. PROXMIER, Mr. AIKEN, Mr. YOUNG of North Dakota, and Mr. HICKENLOOPER, conferees on the part of the Senate.

TOMORROW

Mr. BYRD of West Virginia. Mr. President, tomorrow is the chain that binds men to loathsome habit. Tomorrow is the barred and bolted door that shuts man out from the house of his dreams. "Tomorrow" is the epitaph upon the graves of those who failed and came short of life's true goal. Tomorrow is the downward path that leads men into the land of regret.

Tomorrow is the siren's song that seduces men from the path of duty. Tomorrow is the slumber that paralyzes the energies of man. Tomorrow is the snare that traps men's feet. Tomorrow is the sword of self-destruction upon which men fall. "Tomorrow" is the word cut over the realms of the lost. "Tomorrow" is the word which in that kingdom of the lost ever tortures the eyes of the damned.

Mr. President, Edgar Guest's poem, "Tomorrow," should serve to admonish

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HIGHLIGHTS: Conferees agreed to file report on special milk bill. House debated State-Justice appropriation bill. House Rules Committee cleared mutual security authorization bill.

HOUSE

1. APPROPRIATIONS. Debated H. R. 11666, the State-Justice appropriation bill for 1961. Deferred final proceedings on the bill until today. pp. 7372-94

As reported by the House Appropriations Committee (see Digest 66) this bill contains the following items: Appropriates \$48,700,754 for contributions to international organizations, which includes \$2,999,210 for the Food and Agriculture Organization, and funds for the Inter-American Institute of Agricultural Sciences, the International Wheat Council, and the International Sugar Council.

Regarding the use of foreign currencies, some of which are generated under Public Law 480, the Committee report states:

"Of the total recommended in the bill, the Committee has required that no less than \$53,095,000 or approximately 8% of the total 1961 fiscal year appropriation, be used to purchase foreign currencies or credits owed to or owned by the Treasury of the U. S. The various Government departments and agencies concerned are directed, wherever possible, to purchase these foreign credits from the U. S. Treasury and use them abroad in lieu of dollars. This has not been done to the maximum extent possible in the past. The Committee intends to closely examine what each department and agency does in the coming fiscal year in this regard ... The Committee has included in Title VI of the bill a new section which provides that no part of any appropriation contained in this Act shall be used to administer any program which is funded in whole

or in part from foreign currencies or credits for which a specific dollar appropriation therefor has not been made."

Regarding international organizations the Committee report states:

"The Committee cannot over-emphasize its concern again over the continual increase in our contributions to international organizations. Every effort should be made by the Department to see that our representatives to these various international organizations do everything possible to hold our annual contributions to a minimum."

2. WATERSHEDS. Received notification from the Public Works Committee of their approval of certain watershed projects in Ala., Ga., Ark., and Ky. pp. 7371-2
3. MUTUAL SECURITY. The Rules Committee granted an open rule for consideration of H. R. 11510, the mutual security authorization bill. pp. 7394, 7403
4. POSTAL SERVICE. The Post Office and Civil Service Committee reported without amendment H. R. 10996, to authorize the use of certified mail for the transmission or service of matter required by certain Federal laws to be transmitted or served by registered mail (H. Rept. 1492). p. 7403
5. INTEREST RATES. Rep. Patman criticized the Treasury Department for "thirty-three percent" increase in "the price of short term money" and stated "this, and the events of last week cry for a Congressional investigation." p. 7400
6. PERSONNEL. Received from the Chairman, U. S. Civil Service Commission, a draft of proposed legislation "to amend the Federal Employees' Group Life Insurance Act;" to Post Office and Civil Service Committee. p. 7402
7. USER CHARGES. Received from the Secretary of Agriculture a draft of proposed legislation to authorize user charges for certain inspection services performed by the Department; to Agriculture Committee. p. 7402

SENATE

8. SPECIAL MILK. The "Daily Digest" states that the conferees on H. R. 9331, the special milk bill, agreed "to file conference report authorizing \$95 million in CCC funds for special school milk program in 1961 fiscal year (\$85 million having been authorized for the 1960 fiscal year), and directing that CCC be reimbursed for cost of 1961 program by separate appropriations." p. D303
9. CASEIN; TAMPICO FIBERS. The "Daily Digest" states that the Finance Committee approved the following bills: p. D300
H. R. 9862, to continue for 2 years the existing suspension of duties on certain lathes used for shoe-last roughing or for shoe-last finishing "(with an amendment extending suspension of import duty on casein to June 30, 1963)."
H. R. 9861, without amendment, to continue until Sept. 5, 1963, the existing suspension of duty on certain istle and tampico fibers.

ITEMS IN APPENDIX

10. DAIRY INDUSTRY. Rep. McCormack discussed the hearing held by the House Small Business Committee's Special Subcommittee on Small Business Problems in the Dairy Industry, stated that the hearings "produced evidence of chaotic and deplorable conditions in the dairy industry," and inserted a statement by an investigator of the subcommittee discussing dairy industry problems. pp. A3195-9

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HIGHLIGHTS: Senate agreed to conference report on special milk bill. Sen. Symington criticized USDA grain storage policies. Sen. Smathers urged reassessment of sugar quotas for Cuba. Senate passed bill to expand authority to make additional loans for watershed protection. House committee reported independent offices appropriation bill. House subcommittee voted to report bill for multiple use management of national forests. Sen. Ellender and other Senators and Reps. Boggs and Willis introduced and Sen. Ellender discussed sugar bill. Rep. Cooley introduced bill to revise Farmers Home Administration laws. Rep. Schwengel submitted and discussed item veto measures. Rep. Poage introduced and discussed farm program bill.

HOUSE

1. RYUKYU ISLANDS. The Armed Services Committee reported with amendment H. R. 1157, to provide for the promotion of economic and social development in the Ryukyu Islands (H. Rept. 1517). p. 7508
2. APPROPRIATIONS. The Appropriations Committee reported without amendment H. R. 11776, the independent offices appropriation bill for 1961 (H. Rept. 1519). p. 7508
3. CHICORY; IMPORTS. Agreed to the Senate amendment to H. R. 9307, to continue for two years the existing suspension of import duty on certain alumina and bauxite.

This amendment extends for 90 days (until July 16, 1960) the existing suspension of import duty on crude chicory and the reduction in duty on ground chicory (p. 7496). This bill will now be sent to the President.

4. FORESTRY. The Forests Subcommittee of the Agriculture Committee voted to report (but did not actually report) H. R. 10572, to direct that the national forests be managed under principles of multiple use and to produce a sustained yield of products and services. p. D310
5. TRANSPORTATION. Both Houses received from GSA proposed legislation "to amend the Interstate Commerce Act in order to provide civil liability for violations of such act by common carriers by motor vehicle and freight forwarders"; to Interstate and Foreign Commerce Committees. pp. 7436, 7508
6. LEGISLATIVE PROGRAM. Rep. Albert stated that the program for Apr. 19 would include calling of the Consent Calendar, consideration (under suspension of rules) of H. R. 8074, the agricultural attache rotation bill, and the independent offices appropriation bill for 1961. On Wed. and for the balance of the week, he said, the House will consider the mutual security authorization bill. pp. 7496-7
7. ADJOURNED until Mon., Apr. 18. p. 7508

SENATE

8. SPECIAL MILK PROGRAM. Received and agreed to the conference report on H. R. 9331, the special milk bill (pp. 7452-3). As agreed to the bill increases by \$4 million (to \$85 million) for the fiscal year 1960, and by \$11 million (to \$95 million) for the fiscal year 1961, the maximum amount of CCC funds which may be used for the special milk program, and authorizes to be appropriated for the fiscal year 1961, separate from any other appropriation of funds for CCC, such amount as may be deemed to be necessary to reimburse CCC for amounts advanced for the special milk program.
9. GRAIN STORAGE. Sen. Symington criticized the Department's grain storage operations, contended that "unless and until, the Department of Agriculture has the same type and character of cost information about grain storage that any businessman has about his costs, the grain storage program can never be handled with fairness and efficiency," and listed several types of information he hopes to obtain regarding grain storage operations. pp. 7453-4
10. SUGAR. Sen. Smathers criticized recent activities in Cuba and urged a re-assessment of "the preferential sugar quota for the Cuban Government" which "gives to Cuba in the neighborhood of \$375 million a year." pp. 7446-7
11. WATERSHED PROJECTS. Passed with amendments H. R. 4781, to make the provisions of the Watershed Protection and Flood Prevention Act applicable to the 11 major watershed projects included in the watershed improvement programs authorized by the Flood Control Act of 1944. (p. 7461) The committee report on the bill states that the purpose of one of the amendments "is designed to make clear the committee's intention that all appropriations for both works of improvement and loans in connection with the 11 watershed programs shall be carried in the same appropriation item, separate from the appropriation item applicable to the Watershed Protection and Flood Prevention Act."

One major area of assistance is the Blue Nile River Basin investigation project which is being carried out for ICA by the U.S. Coast and Geodetic Service and the Bureau of Reclamation. This project includes a reconnaissance study of an area of approximately 113,000 square miles. U.S. technicians are also helping to establish a permanent Department of Water Resources and train Ethiopian personnel to staff it. Other areas of U.S. technical cooperation which have been undertaken at the request of the Ethiopian Government include community development training, audiovisual center, livestock improvement, and community water supply. In addition the ICA mission has responsibility for a small commodity import program and the use of local currencies generated therefrom.

Mr. Marcus J. Gordon, who is now ICA's regional director for Africa and Europe, and Mr. Herman Kleine, assistant deputy director for Operations, have both served as directors of our ICA mission in Addis Ababa. I asked them to give me a statement concerning the Ruark article. In addition to providing the above facts, they made the following comments, which may be of interest to you:

Mr. Gordon: "As mission director, I enjoyed somewhat better facilities than the average U.S. technician. Houses tend to be large in size and perhaps impressive looking to the casual visitor. However, the plumbing and electricity functioned intermittently, water was often off, one always had to boil any water to be used for drinking, etc.

"When living in Africa one has to accept hospitality that is offered and do his utmost to be a creditable representative of the United States. As a result, one cannot avoid many serious health hazards. During my time in Africa I personally had yellow jaundice, frequent bouts of dysentery, two tapeworms, and two attacks of malaria.

"After 7 years of this 'high living' in Africa, I can assure you that my family and I consider it somewhat of a luxury to be living temporarily back in the United States, in a small but modern house, and close to good educational and medical facilities."

Mr. Kleine: "While in recent years there has been some improvement in the problems noted by Mr. Gordon, the mission continues to experience considerable difficulties as regards housing, health, and education facilities for its personnel. As regards housing, it should be noted that the recent influx of numbers of personnel assigned to the newly created UN Economic Commission for Africa and the buildup of staffs of other foreign embassies as well as private firms have served to create heavy demand for relatively limited availabilities in housing. Consequently our personnel often must spend long periods in hotels prior to finding family housing facilities at reasonable rentals. To obtain the greatest return on U.S. Government expenditures for housing, the combined housing board of the U.S. agencies in Ethiopia has been very effective. Through this system we were able to obtain housing at an overall cost lower than would be involved if individuals had to negotiate for their own housing based on individual rental allowances. Turnover of personnel continues relatively high in Ethiopia because of the continuing inadequate facilities for serious medical attention for our personnel and their families and education for children."

Sincerely yours,

L. J. SACCIO,
Deputy Director.

LOYALTY OATH IN CONNECTION WITH STUDENT LOANS

Mr. McGEE. Mr. President, I ask unanimous consent to have printed in

the RECORD at this point as a part of my remarks a news column entitled "Loyalty Vow for Loans Is Protested," written by Erwin Knoll and published in the Washington Post of April 10, 1960, summarizing the present status of the loyalty-oath question. The point is made that the great citadels of learning in America are one by one lining up in protest against these loyalty oaths.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LOYALTY VOW FOR LOANS IS PROTESTED (By Erwin Knoll)

At least two dozen colleges and universities, including most of the Nation's top prestige institutions, are not participating in the student loan program of the National Defense Education Act because they object to a controversial loyalty affidavit requirement.

Trustees of Brandeis University voted recently to add their institution to the list of those which have withdrawn from the student loan program since it was inaugurated in 1958.

Other schools which have withdrawn include Amherst, Antioch, Bennington, Goucher, Grinnell, Harvard, Oberlin, Radcliffe, Reed, St. John's, Sarah Lawrence, Wilmington, Wesleyan (Connecticut), Yale, and the Interdenominational Theological Center (Georgia).

Eight institutions refused from the very beginning to take part in the student loan program because they found the loyalty affidavit objectionable. They are Beloit, Bryn Mawr, Haverford, Mills, Princeton, Swarthmore, Wellesley, and the University of Richmond.

The student loan program permits low-interest loans of up to \$1,000 a year, to be administered by the colleges, which put up \$1 for every \$9 of Federal loan funds.

OATH AND DISCLAIMER

Each student receiving a loan must swear on oath of allegiance to the United States and file an affidavit that he "does not believe in, and is not a member of, and does not support any organization that believes in or teaches the overthrow of the U.S. Government by force or violence or by any illegal or unconstitutional methods."

Most opposition has been directed not against the oath of allegiance but against the "disclaimer affidavit."

Educators protest that it is discriminatory, singling out students—and particularly students in need of loans—as subjects of distrust.

The administration has asked for repeal of the affidavit requirement, and legislation to that effect, sponsored by Senator JOHN F. KENNEDY, Democrat, of Massachusetts, has been approved by a Senate committee. It may come to a vote when the civil rights debate ends.

But in the House, where similar legislation has been introduced, no hearings have been held and action in this session is regarded as unlikely.

EIGHTY-THREE COLLEGES OBJECT

The U.S. Office of Education, which administers the National Defense Education Act, says at least 83 colleges and universities participating in the loan program have voiced objections to the loyalty affidavit. There may be more, since the Office of Education has never asked the institutions to state their position.

Among the protesting institutions are State universities in Arizona, Colorado, Connecticut, Delaware, Hawaii, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, New Hampshire, North Carolina, Pennsylvania, Rhode Island, Washington, and Wisconsin.

A number of national organizations, including the major education groups, the National Council of Churches of Christ, the American Jewish Congress, and the New England Society of Newspaper Editors, have also objected to the affidavit.

The American Legion has come out in favor of the requirement, as have a few small colleges participating in the program.

SUBSCRIPTION TELEVISION

Mr. McGEE. Mr. President, there appeared in the Wall Street Journal for April 11, 1960, an article entitled "Oklahoman Seeking Paramount Pictures Franchise for Pay-TV." Since this article bears on the subject of S. 2653, a bill which would put community antenna television systems under the jurisdiction of the Federal Communications Commission, and which is now on the Senate Calendar, I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OKLAHOMAN SEEKING PARAMOUNT PICTURES FRANCHISE FOR PAY-TV—MOVIE OPERATOR'S WIRED SYSTEM WAS UNSUCCESSFUL IN 1957; SAYS TELEMETER SOLVES PROBLEMS

NEW YORK.—An Oklahoma movie theater operator, who made an early experiment in subscription television, said he is negotiating for franchises for Paramount Pictures Corp.'s telemeter pay-TV system.

The announcement was the first indication of where the initial telemeter installation in the United States may come. Paramount's International Telemeter Co. division is testing the system in Etobicoke, a suburb of Toronto, Canada. The system, which pipes programs into homes through coaxial cables, doesn't require sanction of the Federal Communications Commission, unlike broadcast systems using the air waves.

The telemeter franchises are sought by Henry Griffing, president of Video Independent Theaters Corp., Oklahoma City, which operates 200 theaters in Oklahoma, Texas, and New Mexico. The chain also has community TV antenna systems in Oklahoma, Texas, Kansas, Florida, and Mississippi.

In 1957 and 1958, Mr. Griffing tried out his own cable pay-TV in Bartlesville, Okla. "Financially we were unsuccessful," he said, "but telemeter solves the problems we had." He indicated that his first telemeter installations would be in cities having community antenna systems. In these cities, where TV reception is poor because of terrain, TV sets already are linked by cable to a central pickup and transmission station.

Terming the Bartlesville experiment "premature and primitive," Mr. Griffing pointed out that he had charged his customers a flat monthly fee of \$9.50, no matter how many shows they watched, confined programs essentially to motion pictures, and offered only one movie at a time. Telemeter, he said permits the viewer to choose among three simultaneous programs and pay only for what he sees, because of a meter attached to his receiver. Mr. Griffing said he planned a wide variety of programming, obtained from all available sources.

Lewis Novins, president of International Telemeter, attended a news conference at which Mr. Griffing made his announcement. Mr. Novins said the two companies are \$5 apart in financial discussions, but he declined to say whether negotiations with other interested concerns are closer to completion.

VISIT TO THE CHAMBER BY THE FOREIGN MINISTER OF CANADA AND THE AMBASSADOR FROM CANADA

Mr. AIKEN. Mr. President, our country does business with over 30 different countries of the world. However, there is one country with which we are more closely aligned—geographically, racially, economically, militarily, and so on—than with any other country. I refer to the country to the north of us, with whom we have a long boundary of 3,000 miles, and where we have common works which are carried on cooperatively by the two countries. It is a country which is closer to us than any other country in the whole world.

We are honored today by having as a visitor to the Senate the distinguished Minister for External Affairs of Canada, whose office in this country corresponds to that of our Secretary of State. He is the Honorable Howard Green. I am pleased to introduce to the Senate the Minister for External Affairs, of Canada, the Honorable Howard Green.

[Applause, Senators rising.]

Mr. AIKEN. Mr. President, I wish to introduce also that good-looking gentleman who is accompanying the Minister for External Affairs. He is none other than Mr. Arnold I. P. Heeney, Ambassador from Canada to the United States.

[Applause, Senators rising.]

Mr. MANSFIELD. Mr. President, it is a singular pleasure and privilege to join with my distinguished colleague the senior Senator from Vermont [Mr. AIKEN], who is also chairman of the Senate section of the Canadian-American interparliamentary group of the Senate to greet the distinguished Foreign Minister of Canada, the Honorable Howard Green. Mr. Green is with us as the representative of a nation which is most close to us; it is close to us not only in a geographic sense but, more important, in the sense of a shared outlook, shared ideals, and one may say, even a shared destiny.

It is possible to conceive of points of differences between the foreign policies and the immediate interests of Canada and the United States; that is inevitable among independent and equal nations. It is inconceivable, however, that Canada and the United States will ever permit these differences to transcend the deeper intermingling of the fortunes of the two countries.

I know I speak for my colleagues, Mr. Minister, when I say that the Senate of the United States nourishes only the warmest sentiments toward Canada and the Canadian people. We wish for nothing more than a continuing abatement of any differences which may exist and a continuing growth of cordiality and cooperation in all spheres of relations with our great neighbor to the north.

It is with that thought, Mr. Minister, that we bid you and the able and distinguished Ambassador to the United States from Canada welcome to the Senate.

[Applause, Senators rising.]

Mr. DIRKSEN. Mr. President, there is a durability to the friendship between

the people of the United States and the people of Canada which I believe transcends all difficulties, and is a living testament to the fact that we can have our differences of opinion and yet never impair that friendship and that sense of understanding.

You may not know it, Mr. Minister, but I am one of those who on occasions have tried, for my constituents, to secure some additional water from the Great Lakes, particularly Lake Michigan, by way of diversion for domestic purposes. Yet I have found it always agreeable to have Mr. Heeney come to pay me a call, at which time we can, in the most friendly fashion, discuss the problem, with each one continuing to hold his own views.

The very fact that matters of this kind are ventilated before the committees of the Senate—no matter how vigorous our efforts, no matter how purple the language that might at times be employed—shows that the friendship between our countries is immune to all difficulties and all misunderstanding.

I am confident that that very felicitous relationship which has existed between our two countries will continue forevermore.

It is a delight to see you gentlemen and to extend our hand of fellowship to you.

Mr. AIKEN. Mr. President, in view of the precedent established by the Senator from Illinois, I might perhaps suggest that this would be a good opportunity for me to put in a plug for the Hudson-Champlain-Richelieu Waterway. [Laughter.]

Mr. GRUENING. Mr. President, in joining in welcoming our distinguished visitors from Canada, I should like to call to the attention of my good friend from Vermont, with whom I have enjoyed friendship for many years, that the unguarded border between our two countries is not 3,000 miles long, but 4,400 miles. Alaska has added 1,400 miles to that boundary. Since Alaska has joined the Union, the importance of that boundary has been greatly increased and its length extended.

Mr. AIKEN. I apologize to the Senator from Alaska. I am sure that the length of the boundary will continue, unless we have a very hot spell, when it may be shortened at the northern end. [Laughter.]

SPECIAL MILK PROGRAM—CONFERENCE REPORT

Mr. HOLLAND. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9331) to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the

amendments of the Senate to the bill (H.R. 9331) to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 1.

That the House recede from its disagreement to the amendment of the Senate numbered 2 and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken by the Senate amendment insert the following:

"SEC. 2. Such Act is further amended by adding after the first sentence thereof the following new sentence: 'There is authorized to be appropriated for the purposes of this Act for the fiscal year beginning July 1, 1960, separate from any other appropriation of funds for Commodity Credit Corporation, such amount as may be deemed to be necessary to reimburse Commodity Credit Corporation for amounts advanced by it under this Act.'"

And the Senate agree to the same.

That the Senate recede from its amendment to the title.

ALLEN J. ELLENDER,
SPESSARD L. HOLLAND,
HUBERT H. HUMPHREY,
WILLIAM PROXMIRE,
GEORGE D. AIKEN,
MILTON R. YOUNG,
B. B. HICKENLOOPER,

Managers on the Part of the Senate.

HAROLD D. COOLEY,
W. R. POAGE,
THOMAS G. ABERNETHY,
LESTER R. JOHNSON,
CHARLES B. HOEVEN,
PAUL B. DAGUE,
CLIFFORD G. MCINTIRE,

Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HOLLAND. Mr. President, the report is a unanimous report of all the conferees of the Senate and House of Representatives.

The House bill would have increased the amount which could be expended from Commodity Credit Corporation funds on the special school milk program to \$85 million for the current fiscal year, and \$85 million for the fiscal year beginning this July. In addition, it authorized the appropriation of up to an additional \$15 million for the program for the fiscal year beginning this July.

The House bill did not provide for extension of the program beyond its present expiration date of June 30, 1961. The first Senate amendment would have made the program permanent. The conference report recommends that the Senate recede from this amendment, leaving the matter of extension of the program to await later legislation.

The second Senate amendment would have increased the amount of Commodity Credit Corporation funds which might be expended on the program during the fiscal years beginning this July to \$95 million. The conference report recommends that the House recede from its disagreement to this amendment, so

that adequate funds will be available from a single source to carry out the program next year.

The third Senate amendment struck out the language proposed by the House bill authorizing the appropriation of an additional \$15 million for the program for the fiscal year beginning this July. The purpose of the House provision was to begin a transition to the use of appropriated funds, rather than Commodity Credit Corporation funds, for the program. The objective of using appropriated funds was to make it clear that expenditures for the program are not to be considered price-support expenditures. The law already provides that such expenditures are not to be considered price-support expenditures; and the Committee of Conference felt that the objective of the House provision could be reached by authorizing a special appropriation to reimburse the Commodity Credit Corporation for its expenses in carrying out this program for the fiscal year beginning this July. Such appropriation would be kept separate and apart from any appropriation to restore funds expended by Commodity Credit Corporation under the price-support program. The conference report, therefore, recommends that the House recede from its disagreement to the third Senate amendment with an amendment providing for such a separate appropriation.

The Senate also amended the title of the bill so that it would reflect the Senate amendment extending the program on a permanent basis. Since the conference report recommends that the Senate recede from its amendment making the program permanent, it also recommends that the Senate recede from its amendment to the title.

Mr. President, I have already stated that the conference report is supported by the unanimous agreement of the conferees of both bodies. I am willing to answer any questions, if there be any.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

AFRICA FREEDOM DAY

Mr. SYMINGTON. Mr. President, the American Committee on Africa convened in New York City yesterday to observe Africa Freedom Day.

I ask unanimous consent to have printed at this point in the RECORD a message I sent to the meeting.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

Mr. GEORGE HOUSER,
American Committee on Africa,
New York, N.Y.:

I join you in celebrating Africa Freedom Day as the symbol of the independence of 16 African nations and as the symbol of hope for near future self-rule for many others. The successes in breaking the chains of colonialism and the vigorous desire to become self-sufficient find a parallel in the beginnings of our own Nation.

Further, I am in full accord with the action of our Government and the United Nations in protesting the brutality in South Africa. It was a shocking example of man's

inhumanity to man. We can hope it will swing the pendulum back toward respect for human dignity.

STUART SYMINGTON,
U.S. Senator.

THE NECESSITY FOR COST KNOWLEDGE IN SETTING FAIR GRAIN STORAGE RATES

Mr. SYMINGTON. Mr. President, recently the Secretary of Agriculture announced that he planned to negotiate new and lower grain storage rates with the grain trade.

It has now come to my attention that certain Members of the Senate have requested the Secretary of Agriculture to suspend these negotiations until a report is filed by the Special Senate Agriculture Investigating Subcommittee, of which I have the honor to be chairman.

Any report from the Special Agriculture Investigating Subcommittee should not and would not contain any specific recommendations as to the rates to be paid under the uniform grain storage agreement.

The establishment of those rates obviously is the proper function of the executive branch, through agreements between the Secretary of Agriculture and the warehousemen who store Government grain. Neither the farmers nor the Congress is a party to these negotiations.

Upon direction from the full committee, this subcommittee was directed to determine the facts concerning the administration of the Commodity Credit Corporation, of which the negotiation of the uniform grain storage agreement is a segment.

In this work we have had the wise and constructive cooperation of the General Accounting Office and its able head, Comptroller General Joseph Campbell.

According to testimony before the subcommittee, in the last 7 years the Department of Agriculture has spent \$2½ billion for commodity storage; and the Secretary of Agriculture repeatedly refers to the high cost of this program.

In recent years the Department has negotiated the grain storage agreement twice; and, according to the testimony of the Director of the Grain Division itself, it has done so without any actual knowledge of the cost of storing grain.

Such action—reaching rate decisions without knowledge of costs—violates the basic concept of good business management under sound accounting principles.

Any businessman, whether in a city or on a farm, knows you cannot operate efficiently unless you have knowledge of your costs.

Unless and until, therefore, the Department of Agriculture has the same type and character of cost information about grain storage that any businessman has about his costs, the grain storage program can never be handled with fairness and efficiency.

If the Department continues to try to operate without a proper knowledge of costs, it can only continue to set storage rates which result in excessive profits to some operators, but denies others the opportunity to earn a fair profit.

All the waste which results from this kind of "management in the dark" procedure is charged to the overall farm program—and therefore to the farmers themselves.

The subcommittee has invited the National Grain Trade Council, the Grain and Feed Dealers National Association, the National Federation of Grain Cooperatives, as well as any others interested, to testify before the subcommittee.

The subcommittee will thereupon see to it that any such testimony is forwarded promptly to the Secretary of Agriculture, in the hope that the testimony will be of assistance to the Department.

The subcommittee will continue its review of the management of the Department of Agriculture, and will ask the same type and character of questions that are being asked by farmers, members of the trade, and all citizens interested in a sound farm program. As an example, we shall ask:

First. Is the Department of Agriculture undertaking an adequate cost study to negotiate rates so as to prevent some excessive profits at the expense of farmers and other taxpayers—but so as also to give opportunity for a fair profit to those who are providing needed storage service to the farm communities of this country?

Second. Is the Department conducting an adequate cost study survey to determine the cost of on-the-farm grain storage?

Third. Does the Department recognize that the farmer does not receive a handling rate for his on-the-farm storage as is paid the commercial warehouseman?

Fourth. Has the Department considered the fact that any proposed new rate will proportionately add to or subtract from the income of the individual farmer, since the latter is charged for the initial storage payments paid when crops are taken to the elevator for storage under the loan program?

Fifth. Is the Department taking the necessary steps to find out the differences in costs between storing grain in certain parts of the country as against others?

Sixth. Is the Department considering a "renegotiation clause" to prevent excessive profits? Its own recent survey shows the differences in the cost of storage to be as much as 50 cents per bushel.

Seventh. Is the Department considering the plight of the operators who, while providing necessary services to the farmers in their communities, are losing on every bushel of Government grain stored?

These conditions can be corrected only if the Department has a proper knowledge of the costs involved.

The Secretary of Agriculture often talks about the huge cost of storing Government grain. Only now, however, is any real effort being made to obtain normal data about the cost of doing this business.

If there is anyone who believes the Federal Government should allow some to make tremendously excessive profits on grain storage, while at the same time

denying others a fair and reasonable profit, let him come forward and say so.

We urge the Secretary of Agriculture to hurry up and get the facts. Only with the facts can he make decisions in this matter which are based on good business practice under sound accounting principles.

INCREASED OLD-AGE ASSISTANCE AND SOCIAL SECURITY PAY- MENTS—INTRODUCTION OF BILLS

Mr. YARBOROUGH. Mr. President, one of the facts of life of our day is that there are over 8 million Americans who cannot afford a square meal, cannot meet the rent on a decent place to live, cannot pay for the medical care and medicine they need.

There is much debate and study over what we should do to alleviate the problems of the aged and aging, one of the most complex social dilemmas of our times. While the debate and the studies continue, I propose that we take immediate, emergency action in this manner: Let us allow and encourage those who are able to work, to earn more money, without being penalized by deductions from their pensions or their social security payments.

Therefore, Mr. President, I introduce, for appropriate reference, and send to the desk, two bills to help achieve this purpose. The first bill will rewrite the so-called "retirement test" in the Social Security Act, which applies to almost half a million people in Texas alone, in order to raise the annual earning limitation to \$2,400.

Under present law, a social security beneficiary loses 1 month's benefits for each \$80, or fraction thereof, by which his annual earnings exceed \$1,200. This low earnings limitation works a great hardship on many beneficiaries who must work to supplement their social security benefits if they are to maintain a decent standard of living. The average old-age benefit under social security is still just \$72 per month.

If we cannot provide benefits in an amount which would relieve the necessity for work, we must allow the beneficiaries to earn supplemental amounts which will, together with benefits, permit them to live in a decent manner. Today, the minimum benefit is \$33 per month, or \$396 per year. I submit that the resulting ceiling of \$1,596 a year is not enough to maintain a person adequately for a year. Moreover, we are expending a great deal of energy toward the rehabilitation, retraining, and reemployment of older persons; but at the same time we are discouraging them from taking employment, by this low limit on annual earnings by the recipients of social security benefits.

Therefore, Mr. President, one of the bills I am introducing would raise the annual earnings limitation to \$2,400. Even this change is little enough, but it is far better than the present law. In the example given above, the beneficiary could have a combined income of \$2,796.

I hope the Congress will enact such legislation during this session, since it is already long overdue.

Mr. President, the second bill which I am introducing requires that in determining need, the first \$50 per month of earned income must be disregarded in figuring old age assistance pensions.

One of the main complaints that I have received about our State and Federal old age pension programs is that they often discourage people from working, even when they want to work and are able to work, and in many cases would be happier with at least some additional employment.

In my State, an elderly person—for instance, a widow 70 years of age—might be able to earn a few dollars a week as a baby sitter or even as a practical nurse. However, if her earnings exceed the permissible minimum, which is very low, she would have her name taken off the pension rolls. If thereafter that temporary employment ceased, it would take her many months to have her name restored to the pension rolls. Such a situation is most discouraging to the persons who are in this group. It has an adverse effect on their happiness, and it discourages them from doing such work as they may be able to do. This situation also has a most depressing effect on the spirit of these people.

Under my amendment, we are saying to some 2,400,000 penniless older men and women in the United States, of whom some 229,000 are in my own State of Texas, that if they can manage to add a few dollars to the pitifully small payments they are receiving under these programs, those payments no longer will be "docked." To those who might protest that such a change will increase the expenditures for old-age assistance, I point out that the average old-age assistance recipient is a widow, age 75, who, in my State, is receiving \$52 a month. I know that many of them are so feeble that they cannot earn as much as they need for adequate food, clothing, and shelter; but I certainly think they should have the opportunity to do so if they can.

Most of the people now on old-age assistance are unable to qualify for social security because the family breadwinner worked all of his life in a job not covered by social security—particularly in States like mine and that of the distinguished Senator from Kansas [Mr. CARLSON] who is now presiding, which have been agrarian States, and people in those States worked in an agrarian economy.

The kind of a ceiling on submarginal income imposed by existing law goes back to the Elizabethan age poor laws for its justification. Mr. President, we live in the 20th century, not in the 16th. It is time we adopted a more enlightened policy, one which would exempt at least the first \$50 a month of earned income in figuring old-age pensions for our needy senior citizens.

Mr. President, this is the 1st session of the Senate since the 15th anniversary of the death of Franklin D. Roosevelt. It is appropriate that these bills be introduced today, for they aim to extend two of the humane programs of social justice, social progress, and public welfare initiated by the late beloved Franklin D. Roosevelt.

It is in his spirit of action rather than talk that I introduce these bills, in the hope that action will be taken on them this session.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. YARBOROUGH. I yield.

Mr. MONRONEY. I should like to congratulate my colleague from the neighboring State of Texas for his foresight and humanity in introducing the two bills, which are so badly needed. It was brought out in the Appropriations Subcommittee on the Department of Health, Education, and Welfare, that over 47 percent of those on old-age assistance are also recipients of social security. They receive an average of \$43 a month from social security, and they must have the earned old-age retirement benefit implemented by old-age assistance of \$50, thereby cutting down the availability of funds that might prove to be of benefit to others who do not have the benefit of such programs.

Further, the prohibition against the earning of more than \$100 a month denies to those persons the right to implement their meager social security retirement payments. They must, therefore, seek public assistance out of funds half of which are matched by the Federal Government, in order to maintain the most meager standard of living.

The Senator is moving in the right direction in seeking to enlarge the amount which retirees under the social security program can earn. Thus, we shall not only encourage the initiative of older citizens to seek work to supplement their retirement benefits, but we shall also take away a heavy drain on the old-age assistance program, which can be utilized in other needed ways. Further, we shall reduce the workload of the caseworkers, because 27½ percent of the old-age assistance program under State and Federal funds must be monitored by thousands upon thousands of social service workers. As a result, there is extra overhead expense, which funds could more properly be devoted to improving the health of the aged. If those funds are not necessary for old-age assistance, they can be used for a desperately needed program to improve the health of the aging people of America.

Mr. YARBOROUGH. Mr. President, I thank the distinguished Senator from Oklahoma for his contribution on this question. As usual, he is in the forefront of thinking in this body on programs of social advancement, as well as showing leadership in foreign programs. The Senator has given us a great deal of very valuable information in support of these bills. There is a sort of popular belief that those who are the recipients of social security benefits receive much larger payments than those who receive old-age pensions, and are therefore better off. The Senator from Oklahoma has pointed out that 27 percent of those who receive social security benefits receive payments that are so low that they must also receive old-age pension payments in order that their income may be brought up to the level received by old-age recipients.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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For actions of April 18, 1960
86th-2d, No. 70

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HIGHLIGHTS: House received conference report on the special milk bill. Senator Sparkman introduced and discussed housing bill.

HOUSE

1. SPECIAL MILK. Received the conference report on H. R. 9331, the special milk bill (H. Rept. 1520). (pp. 7532-3) The Senate agreed to the conference report on April 14. For a summary of the provisions of the report see Digest 69.

INDEPENDENT OFFICES APPROPRIATION BILL, 1961. As reported (see Digest 69), this bill, H. R. 11776, includes items for the Office of Civil and Defense Mobilization, Civil Service Commission, General Accounting Office, General Services Administration, National Science Foundation, Selective Service System, and Veterans' Administration. The bill contains a provision that "Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for reimbursement to the General Services Administration for those expenses of renovation and alteration of buildings and facilities which constitute public improvements, performed in accordance with the Public Buildings Act of 1959."

Following are excerpts from the committee report:

Civil defense and defense mobilization functions of Federal agencies.

"The Committee recommends \$6,250,000 for allocation by the OCDM to various Federal agencies to administer delegated responsibilities. The budget estimate proposed increasing the amount by \$3,750,000 but the Committee has approved the same level of funding as in the current year."

Official register. "The Committee has specifically denied \$30,000 included in the estimate for printing the Official Register."

General Services Administration. "The Administration is urged to issue an Executive Order giving the Administrator the authority he needs to tell agencies how much space they can have. Such a request has been pending in the Bureau of the Budget for several months and the Committee is of the opinion it should be issued as it will save the Government millions of dollars annually."

Newspapers and periodicals. "The subject of how much money is being spent by each agency for newspapers and periodicals, including scientific, technical, trade or traffic periodicals is one that deserves careful scrutiny. In former years the bill has contained a \$50 limitation on the amount that could be expended for such purposes unless otherwise specifically provided for, and the language of the provision has excluded scientific, technical, trade and traffic periodicals from its application. A recent decision of the Comptroller General has stated that such publications should be included within the limitation when a specific amount is provided in an appropriation item for newspapers and periodicals, which is different from the interpretation generally made by the agencies. The Committee has removed the limitations on newspapers and periodicals from the bill for this year, but the 1962 justifications for each agency should set forth in full detail all obligations for this type of expense."

Buildings. "Sec. 303. It has come to the Committee's attention that construction costs for public buildings are often unnecessarily increased due to the Office of Civil and Defense Mobilization by regulation requiring that they include fallout shelters. This may be desirable in some instances, but such a requirement should be specifically justified for each project. The bill accordingly contains a provision that no funds included in this bill shall be used for construction of fallout shelters in Government-owned or leased buildings unless they are specifically provided for."

3. VETERANS' BENEFITS. Received from the Administrator, Veterans' Administration, a draft of proposed legislation "To improve the budget and accounting procedures of the loan guaranty program of the Veterans' Administration by establishing a revolving fund"; to Veterans' Affairs Committee. p. 7534
4. LEGISLATIVE PROGRAM. The "Daily Digest" states that on Tuesday the House will call the Consent Calendar, consider, under suspension of rules, H. R. 8074, relating to the rotation of agricultural attaches, and also consider the independent office appropriation bill for 1961. p. D313

SENATE

5. SURPLUS FOOD. Both Houses received from this Department a report on the distribution of surplus foods to needy families. pp. 7511, 7534
6. EDUCATION. Both Houses received the semi-annual report of the U. S. Advisory Commission on Educational Exchange. pp. 7512, 7534

ITEMS IN APPENDIX

7. SOIL CONSERVATION. Extension of remarks of Rep. Cooley commending the Soil Conservation Service on its 25th anniversary, and inserting his recent address discussing the accomplishments of the Service and the work of former Administrator Hugh H. Bennett. p. A3334

SPECIAL MILK PROGRAM

APRIL 18, 1960.—Ordered to be printed

Mr. POAGE, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H.R. 9331]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9331) to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 1.

That the House recede from its disagreement to the amendment of the Senate numbered 2 and agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be stricken by the Senate amendment insert the following:

SEC. 2. Such Act is further amended by adding after the first sentence thereof the following new sentence: "There is authorized to be appropriated for the purposes of this Act for the fiscal year beginning July 1, 1960, separate from any other appropriation of funds for Commodity Credit Corporation, such amount as may be deemed to be necessary to reimburse Commodity Credit Corporation for amounts advanced by it under this Act."

And the Senate agree to the same.

That the Senate recede from its amendment to the title.

HAROLD D. COOLEY,
W. R. POAGE,
THOS. G. ABERNETHY,
LESTER R. JOHNSON,
CHAS. B. HOEVEN,
PAUL D. DAGUE,
CLIFFORD G. MCINTIRE,

Managers on the Part of the House.

ALLEN J. ELLENDER,
SPESSARD L. HOLLAND,
HUBERT H. HUMPHREY,
WILLIAM PROXMIRE,
GEORGE B. AIKEN,
MILTON R. YOUNG,
B. B. HICKENLOOPER,

Managers on the Part of the Senate.

STATEMENT OF MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 9331) to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

HOUSE BILL

The bill as passed by the House authorized the use of an additional \$4 million of funds of the Commodity Credit Corporation for the special school milk program for the current fiscal year and an additional \$1 million of CCC funds for the fiscal year ending June 30, 1961. The House bill also authorized an appropriation for the fiscal year 1961 of up to \$15 million over and above the amount available from CCC, thus making a total authorization of \$100 million available in fiscal 1961. The House bill did not extend the program beyond its current expiration date on June 30, 1961.

SENATE AMENDMENT

The amendment adopted by the Senate also authorized the use of an additional \$4 million in funds of the Commodity Credit Corporation for this program for the current fiscal year, but it provided an additional \$11 million in CCC funds for the fiscal year 1961 and put the program on a permanent basis by providing \$95 million out of CCC funds for the fiscal year 1961 and each fiscal year thereafter. The Senate amendment provided that the entire financing of the program would be out of CCC funds.

CONFERENCE BILL

There were, therefore, three differences between the bills passed by the two bodies. The first was on the length of extension of the program; the second was the level of expenditure; and the third was the method of financing. These differences were resolved as follows:

(a) *Length of extension.*—The Senate receded to the House and left unchanged the termination date as provided in present legislation. Therefore, under Public Law 85-478, as amended, this program is scheduled to expire on June 30, 1961.

(b) *Level of expenditure.*—Both the House bill and the Senate amendment provided a total of \$85 million of CCC funds for the current fiscal year. The House receded to the Senate on the amount of funds available for the fiscal year 1961. Thus the conference bill provides \$95 million out of CCC funds for the fiscal year 1961.

(c) *Method of financing.*—The conferees have established a new method of financing the special school milk program. In recognition

of the fact that the program has developed beyond its original concept as a price support activity and because in all fairness this consumer-oriented program should not be charged against farmers as a price support loss, the conference bill provides that commencing in the fiscal year 1961 the Commodity Credit Corporation will be reimbursed by a separate and special appropriation item for any expenditures made under the act. This provision in the conference bill is not intended to apply to years prior to the fiscal year 1961.

HAROLD D. COOLEY,
W. R. POAGE,
THOS. G. ABERNETHY,
LESTER R. JOHNSON,
CHAS. B. HOEVEN,
PAUL B. DAGUE,
CLIFFORD G. MCINTIRE,

Managers on the Part of the House.



House of Representatives

MONDAY, APRIL 18, 1960

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Romans 6: 4: *Like as Christ was raised from the dead, even so we also should walk in newness of life.*

Eternal God, during these days after Easter Sunday, may our minds and hearts continue to be thrilled and inspired by the historic victory of our blessed Lord and be hallowed by the glorious assurance that life is ever lord of death and that love can never lose its own.

Grant that His resurrection may be a present experience, quickening our listless and languid souls into newness of faith, hope, and love and constraining us to be fearless and faithful followers of the living Christ.

May we daily pray and labor to bring to fulfillment our desires and dreams of a better world wherein dwelleth the spirit of the risen Lord.

In His name we pray. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, April 14, 1960, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4781. An act to amend the Watershed Protection and Flood Prevention Act to provide that its loan provisions shall be applicable to certain other projects, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9331) entitled "An act to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children."

The message also announced that the Senate insists upon its amendments to the bill (H.R. 7947) entitled "An act relating to the income tax treatment of nonrefundable capital contributions to Federal National Mortgage Association," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD of Virginia, Mr. KERR, Mr. FREAR, Mr. WILLIAMS of Delaware, and Mr. CARLSON to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 8684) entitled "An act to

provide transitional provisions for the income tax treatment of dealer reserve income," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD of Virginia, Mr. KERR, Mr. FREAR, Mr. CARLSON, and Mr. BENNETT to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 9660) entitled "An act to amend section 6659 (b) of the Internal Revenue Code of 1954 with respect to the procedure for assessing certain additions to the tax," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD of Virginia, Mr. KERR, Mr. FREAR, Mr. WILLIAMS of Delaware, and Mr. CARLSON to be the conferees on the part of the Senate.

JOINT MEETING TO RECEIVE THE PRESIDENT OF THE FRENCH REPUBLIC

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Monday, April 25, 1960, for the Speaker to declare a recess for the purpose of receiving in joint meeting the President of the French Republic, His Excellency Charles de Gaulle.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

THREE HUNDRED AND TWENTY-FIFTH ANNIVERSARY OF THE BOSTON LATIN SCHOOL

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 504) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

Whereas April 23, 1960, is the 325th anniversary of the establishment of the Boston Latin School; and

Whereas the Boston Latin School is one of the leading preparatory schools in the United States; and

Whereas the Boston Latin School has a distinguished roster of alumni who have made their marks in history; and

Whereas the Boston Latin School continues to prepare young men for useful lives just as it has throughout its long illustrious history: Now, therefore, be it

Resolved, That the House of Representatives extends its greetings and felicitations to the Boston Latin School and to all of its alumni on the occasion of the 325th anniversary of its establishment and extends best wishes for the success of the Boston Latin School in its programs and activities for the future.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, reserving the right to object, Mr. Speaker, do I understand that this is a Latin school?

Mr. McCORMACK. The Boston Latin School.

Mr. GROSS. L-a-t-i-n—is that it?

Mr. McCORMACK. L-a-t-i-n; Boston Latin School, which was first established in 1635. Among its graduates were five signers of the Declaration of Independence. It is one of the great schools of its kind not only in this country but in the world. I shall insert in the RECORD a history of the school for the enlightenment of my dear friend.

Mr. GROSS. I would be pleased to read the full story that merits this kind of treatment for a school.

Mr. McCORMACK. It certainly has a great history covering 325 years. If any of my colleagues have any vacancies for appointments to West Point or Annapolis, if they come to me, I will get them graduates of the Boston Latin School and there will be no difficulty about their passing the examination for entrance to those academies.

Mr. GROSS. This resolution will not cost any money now or later?

Mr. McCORMACK. No money.

Mr. GROSS. Not later?

Mr. McCORMACK. Not later; no.

Mr. GROSS. I thank the gentleman; and, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

THE BOSTON LATIN SCHOOL'S 325TH ANNIVERSARY

(Mr. McCORMACK asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. McCORMACK. Mr. Speaker, on April 25 the Boston Latin School will celebrate its 325th year as a renowned institution of classical education for high school boys. This remarkable institution for 325 years has been constant to one idea and one purpose.

As the noted philosopher, George Santayana, class of 1882, wrote for the school's 300th anniversary in 1935:

There may be older schools in other countries; but almost always they have suffered a complete change in spirit and have endured only by ceasing to be themselves. * * * But the Latin School, in its simpler sphere, has remained faithfully Latin. In spite of all revolutions and all the pressure of business and all the powerful influences inclining America to live in con-

temptuous ignorance of the rest of the world, and especially of the past, the Latin School, supported by the people of Boston, has kept the embers of traditional learning alive, at which the humblest rushlight might always be lighted; has kept the highway clear for every boy to the professions of theology, law, medicine, and teaching, and a window open to his mind from these times to all other times and from this place to all other places. * * *

The merely modern man never knows what he is about. A Latin education, far from alienating us from our own world, teaches us to discern the amiable traits in it, and the genuine achievements; helping us, amid so many distracting problems, to preserve a certain balance and dignity of mind, together with a same confidence in the future.

As America's oldest public secondary school of continuing existence, the Boston Latin School stands today as a beacon of traditional learning at a time when American education is searching for more effective ways to meet the challenges of the space age. For here is a school, supported by public funds, which for over three centuries has maintained a reputation for excellence by stressing the values of the past in preparing young men for the future.

The Boston Latin School is unique, therefore, not only for its consistent adherence to the classical curriculum but also for providing such learning within the framework of public education in a school which can enroll not just a select few but rather as many as 2,500 students.

Since the founding of the Boston Latin School in 1635, the consistent emphasis in the curriculum has been on imbuing the students with "the cultures of the world and imparting mastery of the fundamental tools of learning." As Headmaster George L. McKim has so eloquently pointed out:

We believe in training the intellect, training boys how to think, training boys to become leaders. We give them the proven wisdom and intellectual skills of mankind—something they'll have the rest of their lives.

We don't want them to learn vocations here. We teach them how to apply themselves, how to think, work, study. The businessmen tell us, "You give us boys with trained minds—we'll show them the trade."

Clearly, the Boston Latin School sharply contrasts with the many modern secondary schools of our day. In fact, the school is considered old-fashioned by many educators. And George McKim frankly admits:

We're terribly old-fashioned here. We insist on teaching them something. We insist that they get a good education.

By some, Boston Latin has even been called "a bastion of the Middle Ages." But Headmaster McKim explains:

We stick to our course while the fashions in education come and go. The experimenters try out their new ideas, they see their errors, and eventually they come back to us * * *. Of course, the project approach of some modern schools—for example, a class undertaking to solve the city's traffic problem—is more showy. But we stress individual application and concentration. We do not try to make education palatable. We are convinced that a good part of education is learning to do things you don't like to do. It pays off later in life.

To illustrate what Mr. McKim means by a good basic education, we need only to look at the course requirements for

boys at Boston Latin from the 7th through the 12th grades: 6 years of English, 6 years of Latin, 5 years of mathematics, 4 years of history, 3 years of French, 2 years of Greek or German, 2 years of general science, 1 year of physics. Seniors may elect additional French, Greek, or German, chemistry or solid geometry and trigonometry.

There are extracurricular activities as well including many club activities, but they are after-class hours. Boys may enroll in Boston Latin if they have B's or better in English, mathematics, history, and geography. Or, they may be admitted by taking qualifying examinations.

This emphasis on quality and high scholastic standards has proven worthwhile in terms of preparing students well for college entrance. In a recent compilation of college board examinations, for example, 60 percent of Boston Latin School boys scored honor grades. The national average for honor grades in these same examinations was 17 percent.

President A. Whitney Griswold, of Yale, has made some enlightening remarks on the value of the kind of solid education for which the Boston Latin School is renowned:

We look at the high school records of boys seeking admission to Yale to see what kind of courses they took. We find their curriculums loaded with such subjects as band music, auto driving, bookkeeping, social adjustment. These subjects are all very well, but where are the solid liberal arts?

We don't want to see the ablest students tied to the lockstep of the weakest. We'd like to see them all tied to the strongest—to get strength from them. The very essence of education is to stretch the mind, not to cushion it. Every boy and girl should be started up the path to solid education and carried as far as he and she can go.

Furthermore, the importance of a basic education is also borne out by achievements of the graduates of Boston Latin who have made significant contributions in all fields of endeavor throughout the years. Five signers of the Declaration of Independence—John Hancock, Samuel Adams, Benjamin Franklin, Robert Treat Paine, and William Hooper—were among its earliest graduates. Among its other illustrious graduates are Charles Bulfinch, architect; Harrison Gray Otis, U.S. Senator; Brig. Gen. Henry Knox; Gov. James Bowdoin; Gov. William Eustis; Gov. Christopher Gore; Judge Samuel Sewall; Sir William Pepperell; British Adm. Isaac Coffin; Wendell Phillips; Henry Ward Beecher; Charles Francis Adams, Minister to England; Charles Sumner, U.S. Senator; Ralph Waldo Emerson; Edward Everett Hale; Dr. Charles William Eliot, Harvard president; Bishop Phillips Brooks; Henry Lee Higginson; Samuel P. Langley, pioneer in aviation; Darius Cobb, famed artist; Leonard Bernstein, conductor; Joseph P. Kennedy, former Ambassador to Court of St. James; Howard Lindsay, playwright; George Santayana, philosopher; and A. M. Sombend, hotelman.

In fact, Boston Latin has probably graduated more men to note than any other public high school.

The 325th anniversary of the Boston Latin School will be celebrated on April 25 with day long reunions of more than

1,000 of the 10,000 living graduates. Bishop John J. Wright of Pittsburgh, a distinguished graduate of 1927, will deliver the anniversary address. Bishop Wright is the third Catholic bishop to graduate from the school at which such famed Puritans as Cotton and Samuel Mather were also educated.

In its 325 years of existence the Boston Latin School has kept faith with our democratic tradition. It pays tribute to those enlightened Puritans who established the school in 1635 and invited the sons of those less favored than themselves to share the advantages of a college-preparatory public school education. The Boston Latin School was not only a major contributor to the establishment of Boston as an early center of intellectual life in America but also has maintained throughout our history a high standard of classical scholarship and dedication to excellence in public education.

SPECIAL MILK PROGRAM FOR CHILDREN

Mr. POAGE submitted the following conference report and statement on the bill (H.R. 9331) to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children:

CONFERENCE REPORT (H. REPT. No. 1520)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9331) to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 1.

That the House recede from its disagreement to the amendment of the Senate numbered 2 and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken by the Senate amendment insert the following:

"Sec. 2. Such Act is further amended by adding after the first sentence thereof the following new sentence: 'There is authorized to be appropriated for the purposes of this Act for the fiscal year beginning July 1, 1960, separate from any other appropriation of funds for Commodity Credit Corporation, such amount as may be deemed to be necessary to reimburse Commodity Credit Corporation for amounts advanced by it under this Act.'"

And the Senate agree to the same.

That the Senate recede from its amendment to the title.

HAROLD D. COOLEY,
W. R. POAGE,
THOS. G. ABERNETHY,
LESTER R. JOHNSON,
CHAS. B. HOEVEN,
PAUL B. DAGUE,
CLIFFORD G. MCINTIRE,

Managers on the Part of the House.

ALLEN J. ELLENDER,
SPESSARD L. HOLLAND,
HUBERT H. HUMPHREY,
WILLIAM PROXMIRE,
GEORGE D. AIKEN,
MILTON R. YOUNG,
B. B. HICKENLOOPER,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 9331) to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

HOUSE BILL

The bill as passed by the House authorized the use of an additional \$4 million of funds of the Commodity Credit Corporation for the special school milk program for the current fiscal year and an additional \$1 million of CCC funds for the fiscal year ending June 30, 1961. The House bill also authorized an appropriation for the fiscal year 1961 of up to \$15 million over and above the amount available from CCC, thus making a total authorization of \$100 million available in fiscal 1961. The House bill did not extend the program beyond its current expiration date on June 30, 1961.

SENATE AMENDMENT

The amendment adopted by the Senate also authorized the use of an additional \$4 million in funds of the Commodity Credit Corporation for this program for the current fiscal year, but it provided an additional \$11 million in CCC funds for the fiscal year 1961 and put the program on a permanent basis by providing \$95 million out of CCC funds for the fiscal year 1961 and each fiscal year thereafter. The Senate amendment provided that the entire financing of the program would be out of CCC funds.

CONFERENCE BILL

There were, therefore, three differences between the bills passed by the two bodies. The first was on the length of extension of the program; the second was the level of expenditure; and the third was the method of financing. These differences were resolved as follows:

(a) Length of extension: The Senate receded to the House and left unchanged the termination date as provided in present legislation. Therefore, under Public Law 85-478, as amended, this program is scheduled to expire on June 30, 1961.

(b) Level of expenditure: Both the House bill and the Senate amendment provided a total of \$85 million of CCC funds for the current fiscal year. The House receded to the Senate on the amount of funds available for the fiscal year 1961. Thus the conference bill provides \$95 million out of CCC funds for the fiscal year 1961.

(c) Method of financing: The conferees have established a new method of financing the special school milk program. In recognition of the fact that the program has developed beyond its original concept as a price support activity and because in all fairness this consumer-oriented program should not be charged against farmers as a price support loss, the conference bill provides that commencing in the fiscal year 1961 the Commodity Credit Corporation will be reimbursed by a separate and special appropriation item for any expenditures made under the act. This provision in the conference bill is not intended to apply to years prior to the fiscal year 1961.

HAROLD D. COOLEY,
W. R. POAGE,
THOS. G. ABERNETHY,
LESTER R. JOHNSON,
CHAS. B. HOEVEN,
PAUL B. DAGUE,
CLIFFORD G. MCINTIRE,

Managers on the Part of the House.

CENTENNIAL OF THE FIRST PERMANENT WHITE SETTLEMENT IN IDAHO

(Mr. BUDGE asked and was given permission to extend his remarks at this point in the Record.)

Mr. BUDGE. Mr. Speaker, I take this opportunity to invite the attention of my colleagues to the fact that on Thursday, April 14, Idaho celebrated the 100th anniversary of the establishment of the first permanent white settlement in the State. The community of Franklin and the surrounding areas commemorated this event and concluded the celebration with a formal dinner that evening.

This event, in addition to calling attention to the first white settlement of Idaho, serves as the forerunner for the centennial celebration of the establishing of the Territory of Idaho in 1863.

The first permanent settlement in Idaho was established at Franklin on April 14, 1860, by 13 Mormon families who had left the pioneer settlements in the Salt Lake Valley to colonize farther north. They thought they were in Utah Territory but were in reality just across the line into the Idaho area. The site for this colony had been chosen in the previous year. Franklin D. Richards led this first colony of settlers. When the Idaho State Legislature divided off part of Oneida County to create the new county it gave it the name of Franklin after this colonizer.

In the fall of 1868 about 50 families had joined the new community just across the Idaho-Utah boundary. These settlers crossed Bear River at Park Ferry, which they established in 1861. In 1869 a toll bridge replaced the ferry, and the site became a stopping place and station for the Overland stage and mail route. The establishment of Franklin led to the development of the surrounding area and this led to the end of Indian hostilities in the Battle of Bear River.

This group of brave families which included wives and children had left the stronger communities of the Salt Lake Valley area to build up the intermountain region. They were not seeking to take from the area furs and gold but rather they were seeking to establish homes, churches, schools, farms, and communities. As a result, this group of families became a part of history. They established the first school for white children in the future State. More than this, they set up the first irrigation system in Idaho by diverting the waters of Maple Creek to their section of Cache Valley. Meanwhile, the indefatigable Brigham Young, their prophet leader, had bought a steam engine back east; had caused it to be shipped up the Missouri River to Fort Benton; then overland to Franklin. As one of the writers in Idaho has said, this alone is no small feat:

When it is remembered that this engine weighed 10,000 pounds, the long trek for hundreds of miles by wagon and oxen over mountains and rivers is to be seen as a small epic in itself.

This engine, which may be described as the first historical relic of the future State, was used first as a sawmill in Franklin, was afterward moved to Soda Springs, then back to Franklin, and for a long time abandoned and forgotten. Finally, a group of citizens decided it was a relic worthy of preservation and placed it in the public hall at Franklin, where it may be seen to this day.

As a direct descendant of two of the early pioneer families of Idaho, it is an honor and pleasure to join with all other Idahoans in saluting these great Americans who helped build this Nation.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. NORBLAD (at the request of Mr. BYRNES of Wisconsin), for an indefinite period, on account of death in the family.

Mr. MOULDER, Mr. BROCK, Mr. DEROUNIAN, and Mr. YOUNGER (at the request of Mr. McCORMACK), for this week on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mrs. GREEN of Oregon, for 1 hour, on Tuesday, April 19.

Mr. JOHNSON of Colorado (at the request of Mrs. GREEN of Oregon), for 1 hour on Tuesday, April 19.

Mr. SCHWENGEL, for 1 hour, on Tuesday, April 19.

Mr. LANKFORD, for 45 minutes, on Thursday next.

Mr. NELSEN (at the request of Mr. BYRNES of Wisconsin), for 30 minutes, on Wednesday next.

Mr. BRAY (at the request of Mr. ARENDS), for 10 minutes, on April 20.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the Record, or to revise and extend remarks, was granted to:

Mr. PORTER in five instances and to include extraneous matter.

Mr. HUDDLESTON in five instances and to include extraneous matter.

Mr. HECHLER and to include extraneous matter.

Mr. BOYKIN (at the request of Mr. SELDEN).

Mr. BUDGE (at the request of Mr. ARENDS) in three instances and to include extraneous matter.

Mr. MICHEL (at the request of Mr. ARENDS) and to include extraneous matter.

Mr. McCORMACK and to include extraneous matter.

(At the request of Mr. McCORMACK, and to include extraneous matter, the following:)

Mr. BARING in two instances.

Mr. CLEM MILLER.

Mr. COOLEY in two instances.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 7359. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 178. Joint resolution relating to the payment of salaries of employees of the Senate.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 8 minutes p.m.) the House adjourned until tomorrow, Tuesday, April 19, 1960, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2058. A letter from the Chairman, U.S. Advisory Commission on Educational Exchange, Department of State, transmitting the 23d semiannual report on the educational exchange activities conducted under the U.S. Information and Educational Exchange Act of 1948 (Public Law 402, 80th Cong.), from July 1 through December 31, 1959 (H. Doc. No. 379); to the Committee on Foreign Affairs and ordered to be printed.

2059. A letter from the Acting Secretary of Agriculture, transmitting a report on the distribution of surplus foods to needy families, pursuant to section 306 of Public Law 480, 83d Congress, as amended; to the Committee on Agriculture.

2060. A letter from the Administrator, General Services Administration, transmitting the report of the Archivist of the United States on records proposed for disposal under the law; to the Committee on House Administration.

2061. A letter from the Assistant Secretary of the Interior, transmitting one copy each of certain laws enacted by the Fifth Guam Legislature, 1959, pursuant to section 19 of the Organic Act of Guam; to the Committee on Interior and Insular Affairs.

2062. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to clarify the ownership of certain church properties located in the Virgin Islands"; to the Committee on Interior and Insular Affairs.

2063. A letter from the Director, Administrative Office, U.S. Courts, transmitting a copy of the annual report of the Director for the fiscal year 1959, which includes the reports of the annual and special meetings of the Judicial Conference of the United States held in 1959, pursuant to section 604(a)(4) of title 28 of the United States Code; to the Committee on the Judiciary.

2064. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders entered in cases where the authority contained in the Immigration and Nationality Act was exercised in behalf of such

aliens, pursuant to section 212(d)(6) of the Immigration and Nationality Act; to the Committee on the Judiciary.

2065. A letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation entitled "A bill to improve the budget and accounting procedures of the loan guaranty program of the Veterans' Administration by establishing a revolving fund"; to the Committee on Veterans' Affairs.

2066. A letter from the Administrator, General Services Administration, transmitting a report on a proposed Presidential archival depository to be known as the Eisenhower Library, pursuant to section 507(f) of the Federal Property and Administrative Services Act of 1949, as amended (69 Stat. 695); to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. POAGE: Committee of conference. H.R. 9331. A bill to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children (Rept. No. 1520). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROCK:
H.R. 11782. A bill providing for the disposition of judgment funds of the Omaha Tribe of Indians; to the Committee on Interior and Insular Affairs.

By Mr. COAD:
H.R. 11783. A bill to reduce the cost to the U.S. Treasury of farm price and income stabilization programs, to provide means by which producers may balance supply with demand at a fair price, to reduce the volume and costs of maintaining Commodity Credit Corporation stocks, to provide for distribution to needy people and public institutions of additional needed high protein foods, to preserve and improve the status of the family farm through greater bargaining power, and for other purposes; to the Committee on Agriculture.

By Mr. GEORGE:
H.R. 11784. A bill to authorize the appropriation of \$5,000 for planning of works for the protection of the banks of the Kansas River against erosion; to the Committee on Public Works.

By Mr. JOHNSON of California:
H.R. 11785. A bill to amend the Tariff Act of 1930, so as to impose a duty upon the importation of montan wax produced in Communist-dominated or Communist-occupied areas of Germany; to the Committee on Ways and Means.

By Mrs. PFOST:
H.R. 11786. A bill to amend the Internal Revenue Code of 1954 to impose import taxes on lead and zinc; to the Committee on Ways and Means.

By Mr. RIVERS of South Carolina:
H.R. 11787. A bill to amend title 10, United States Code, to make permanent the authority for flight instruction for members of Reserve Officers' Training Corps, and for other purposes; to the Committee on Armed Services.

By Mr. SISK:
H.R. 11788. A bill to amend the Federal Trade Commission Act to strengthen independent competitive enterprise by providing

for fair competitive acts, practices, and methods of competition, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 11789. A bill to amend the Federal Trade Commission Act to provide for the issuance of temporary cease and desist orders to prevent certain acts and practices pending completion of Federal Trade Commission proceedings; to the Committee on Interstate and Foreign Commerce.

By Mr. THOMPSON of Texas:
H.R. 11790. A bill to repeal transportation excise tax; to the Committee on Ways and Means.

By Mr. HALPERN:
H.J. Res. 694. Joint resolution designating the second Sunday in September in each year as National Grandparents' Day; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,
The SPEAKER presented a memorial of the Legislature of the State of New York, memorializing the President and the Congress of the United States and the Department of Defense of the United States and the Government of Canada in relation to undertaking and progressing the development of the proposed New York-Montreal Seaway project; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KEOGH:
H.R. 11791. A bill to confer jurisdiction on the U.S. Court of Claims to hear, determine, and render judgment on the claim of Paul Bernstein against the United States; to the Committee on the Judiciary.

By Mr. MOORE:
H.R. 11792. A bill for the relief of George Steve Eraklianos; to the Committee on the Judiciary.

By Mr. MOSS:
H.R. 11793. A bill for the relief of Capt. Arnold M. Anderson; to the Committee on the Judiciary.

By Mr. QUIGLEY:
H.R. 11794. A bill for the relief of Mrs. Telesa Prendic de Milenovic; to the Committee on the Judiciary.

By Mr. ROONEY:
H.R. 11795. A bill for the relief of Martin Albert Maldenbaum; to the Committee on the Judiciary.

By Mr. TEAGUE of Texas:
H.R. 11796. A bill for the relief of Arnold George Kelly and his wife, Melvina Birdylyn Kelly; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

421. By Mr. LOSER of Tennessee: Petition of rank-and-file members of Teamsters' Union, Local No. 327, Nashville, Tenn., stating alleged grievances arising under Public Law 86-257 (Landrum-Griffin labor bill) and the first amendment to the Constitution of the United States, as well as alleged abuses of monitors appointed by U.S. district court; to the Committee on Education and Labor.

422. By the SPEAKER: Petition of Pfc. Michael O. Tockey and others, San Francisco, Calif., requesting passage of Senate bill 1138, extending educational benefits to Armed Forces veterans after January 1, 1955; to the Committee on Veterans' Affairs.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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For actions of April 19, 1960
86th-2d, No. 71

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HIGHLIGHTS: House agreed to conference report on special milk bill. House debated independent offices appropriation bill.

HOUSE

1. SPECIAL MILK PROGRAM. Agreed to the conference report on H. R. 9331, the special milk bill (p. 7622). This bill will now be sent to the President. See Digest 69 for a summary of the provisions of the bill as agreed to by both Houses.
2. INDEPENDENT OFFICES APPROPRIATION BILL, 1961. Began debate on this bill, H. R. 11776 (pp. 7626-63). See Digest 70 for items of interest to this Department.
3. PERSONNEL; AGRICULTURAL ATTACHES. Passed over, at the request of Rep. Gross, H. R. 8074, to permit the assignment of agricultural attaches to positions in the U. S. for a maximum of 4 years without reduction in grade. p. 7610
4. FOOD ADDITIVES. Passed as reported H. R. 7847, to make the judicial review provisions of the Federal Aviation Act of 1958 and the Food Additives Amendment of 1958 subject to the uniform provisions of Public Law 85-791 relating to court review of Government agency orders. p. 7612
Passed over, at the request of Rep. McFall, H. R. 7480, to amend the Federal Food, Drug, and Cosmetic Act so as to provide that the term "chemical

preservatives" shall not apply to a pesticide chemical when used in or on a raw agricultural commodity produced from the soil, and to require that shipping containers for raw agricultural commodities be labeled to indicate by name or function the presence of any pesticide chemical that had been applied after harvest. p. 7615

5. PROPERTY. Passed without amendment H. R. 9983, to extend for two years the period for which payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments. p. 7612
6. REPORTS. Passed as reported S. 899, to provide for the discontinuance of certain reports now required by law to be submitted to Congress, including several reports of this Department. pp. 7612-5
7. POSTAL SERVICE. Passed without amendment H. R. 10996, to authorize the use of certified mail for the transmission or service of matter required by certain Federal laws to be transmitted or served by registered mail. pp. 7619-20
8. LANDS; FORESTRY. The Agriculture Committee reported with amendment H. R. 9818, to provide for the conveyance of a tract of forest land to Florida (H. Rept. 1522). p. 7708
9. MINERALS; LANDS. The Agriculture Committee reported without amendment H. R. 8740, to provide for the leasing of oil and gas interests in certain U. S. lands in Texas (H. Rept. 1523). p. 7708
10. ATOMIC ENERGY; ELECTRIFICATION. The Joint Atomic Energy Committee reported without amendment H. R. 11713, to authorize appropriations for the Atomic Energy Commission, including reactor development, biology and medicine, cooperative power reactor demonstration program, and design and engineering studies for food irradiation and power reactor of steam-cooler type (H. Rept. 1525). p. 7708

SENATE

11. GRAPES AND PLUMS. The Interstate and Foreign Commerce Committee reported with amendments S. 1857, to establish minimum quality requirements for exported grapes and plums (S. Rept. 1274). p. 7538
12. ATOMIC ENERGY. The Joint Committee on Atomic Energy reported an original bill, S. 3387, to authorize appropriations for the Atomic Energy Commission (S. Rept. 1277). p. 7538
13. WILDLIFE. The Interstate and Foreign Commerce Committee voted to report (but did not actually report) S. 1781, to provide for cooperative unit programs of research, education, and demonstration of fish and wildlife resources between the Federal Government, colleges and universities, the States and Territories, and private organizations. p. D316
Sen. Bartlett criticized the Secretary of the Interior for issuing regulations relating to fishing in Alaska which he could not have issued "prior to statehood" and which the Senator feels are discriminatory. pp. 7565-71
14. INTEREST RATE. Sen. Symington inserted an article dealing with the political implications in the success of the Treasury to sell a recent bond issue at below the interest-rate ceiling on long-term Government securities. p. 7557

SAN FRANCISCO PALACE OF FINE ARTS

The Clerk called the bill (H.R. 8024) to amend the act of May 9, 1876, to permit certain streets in San Francisco, Calif., within the area known as the San Francisco Palace of Fine Arts, to be used for park and other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to relinquish the interests of the United States in certain lands to the city and county of San Francisco, in the State of California," approved May 9, 1876 (19 Stat. 52), is amended by adding at the end thereof the following new section:

"SEC. 2. Notwithstanding any provision of the first section of this Act to the contrary, the use of Lyon Street from the northerly line of Bay Street to the northerly line of Jefferson Street, and of North Point, Beach and Jefferson Streets from the westerly line of Baker Street to the easterly line of Lyon Street, as public highways and streets, may be terminated by the City and County of San Francisco and such public highway and street areas may be used for park, cultural, recreational, educational, museum, artistic and musical purposes by the City and County of San Francisco, or by the State of California, if the San Francisco Palace of Fine Arts is conveyed by the City and County of San Francisco to the State of California pursuant to the California Statute entitled 'An act to provide for the acquisition, repair, and operation of the San Francisco Palace of Fine Arts as part of the State Park System, and making an appropriation therefor' (Calif. Stats. 1957, ch. 2386, p. 4132)."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OXNARD HARBOR DISTRICT, PORT HUENEME, CALIF.

The Clerk called the bill (H.R. 8713) to authorize the Secretary of the Navy to convey certain real estate to the Oxnard Harbor district, Port Hueneme, Calif., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Navy is authorized to convey to Oxnard Harbor District, Port Hueneme, California, an instrumentality of the State of California, all that tract or parcel of land situate, lying and being in the United States Naval Construction Battalion Center, Port Hueneme, California, comprising wharf numbered 1, and contiguous area, consisting of twenty-two and seven-tenths acres, more or less, and being more particularly described as follows:

Beginning at the northeast corner of wharf numbered 1, said point being particularly described as coordinate 6013.48 feet north, 6,669.75 feet east as shown on the map of the United States Naval Construction Battalion Center, Port Hueneme, California; thence from said point of beginning, south 89 degrees 55 minutes 40 seconds west 1,386.1 feet, along the north edge of the wheel guard on the north side of wharf numbered 1 and the extension of this line to the westerly side of the dolphin which is at the western end of the catwalk that extends westerly from the west end of wharf numbered 1 to a point, said

point being westerly 185.0 feet from the west end of wharf numbered 1; thence,

South 53 degrees 05 minutes 41 seconds east 106.4 feet to a point, said point being on the line of the bulkhead that extends westerly from the west end of wharf numbered 1 and is 100.0 feet westerly from the west end of wharf numbered 1; thence,

South 37 degrees 47 minutes 40 seconds west 397.4 feet to a point, said point being at the approximated mean high tide line and said point being also on the northeasterly side of the cattle chute of wharf F; thence,

North 52 degrees 15 minutes 20 seconds west 62.4 feet to a point, said point being on the northeasterly side of the said cattle chute of wharf F; thence,

South 37 degrees 44 minutes 40 seconds west 10.0 feet to a point, said point being at the northwesterly end of the cattle chute of wharf F; thence,

South 37 degrees 01 minutes 40 seconds west 82.0 feet to a point, said point being at the northwesterly end of wharf F; thence,

South 36 degrees 51 minutes 39 seconds west 68.58 feet to a point; thence,

South 37 degrees 01 minutes 40 seconds west 352.0 feet to a point, said point being approximately in line with the extension of the channel side edge of wharf F; thence,

South 52 degrees 58 minutes 20 seconds east 142.0 feet more or less to a point in the easterly line of the 13.5 acre parcel, sold to the Hueneme Dock Corporation by deed recorded in book 584, page 426 of Official Records of Ventura County; thence,

North 37 degrees 01 minutes 40 seconds east 452.0 feet more or less along said easterly line to a 2-inch by 2-inch wood stake set in concrete, said stake being on the north line of parcel D as delineated on Map numbered 1, Lands in Subdivisions 84, 85, and 87 of Rancho El Rio De Santa Clara o' La Colonia, recorded in book 3, page 13 of Miscellaneous (Maps) Records of Ventura County; thence easterly along said northerly line of parcel D;

North 89 degrees 56 minutes 39 seconds east 1,686.16 feet to a point; thence,

South 45 degrees 04 minutes 20 seconds east 74.18 feet to a point; thence,

North 88 degrees 28 minutes 04 seconds east 91.25 feet more or less to a point in the easterly line of said parcel D; thence,

North 0 degrees 14 minutes 13 seconds west 798.15 feet along said easterly line of parcel D and parcel C as delineated on map numbered 1, Lands in Subdivisions 84, 85, and 87 of Rancho El Rio De Santa Clara o' La Colonia recorded in book 3, page 13 of Miscellaneous (Maps) Records of Ventura County to a point; said point being on an easterly extension of a line parallel to and south 4.0 feet from the southerly edge of bulkhead on wharf numbered 2; thence,

South 89 degrees 53 minutes 34 seconds west 253.2 feet along the said easterly prolongation to a point; thence along the following courses and distances which are at approximate mean high tide line;

South 32 degrees 50 minutes 41 seconds east 44.0 feet to a point; thence,

South 04 degrees 59 minutes 11 seconds east 37.8 feet to a point; thence,

South 21 degrees 20 minutes 06 seconds east 27.2 feet to a point; thence,

South 09 degrees 47 minutes 21 seconds east 37.8 feet to a point; thence,

South 20 degrees 20 minutes 46 seconds east 21.5 feet to a point; thence,

South 0 degrees 54 minutes 44 seconds west 174.0 feet to a point, said point being 10.0 feet northeasterly measured radially from the center line of track A; thence,

Northwesterly 114.03 feet along a non-tangent curve concave to the southeast, having a radius of 360.21 feet and a central angle of 18 degrees 08 minutes 14 seconds to the east end of wharf numbered 1; said curve being 10.0 feet northeasterly of measured

radially and parallel to the center line of track A; thence,

North 0 degrees 04 minutes 20 seconds west 13.2 feet to the point of beginning and containing 22.07 acres more or less.

SEC. 2. The conveyance herein authorized shall be made at the fair market value of the property as determined by the Secretary of the Navy and shall be made upon such terms and conditions and shall include such reservations as the Secretary of the Navy shall determine to be in the public interest.

With the following committee amendment:

Page 1, line 9, delete the words "seven-tenths" and insert in lieu thereof the words "seven-hundredths".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALLOWANCES FOR CERTAIN MEMBERS OF UNIFORMED SERVICES

The Clerk called the bill (H.R. 10068) to amend section 303 of the Career Compensation Act of 1949, to authorize travel and transportation allowances, and transportation of dependents and of baggage and household effects to the homes of their selection for certain members of the uniformed services, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Reserving the right to object, Mr. Speaker, may I ask the gentleman from South Carolina a question? Do I understand correctly that a Regular Army officer involuntarily separated from the service can claim his home at any place and have his transportation and that of his dependents and household effects paid to that place?

Mr. RIVERS of South Carolina. That is correct.

Mr. GROSS. To Hawaii or Guam or the South Sea Islands?

Mr. RIVERS of South Carolina. Any place he selects. That is the law.

Mr. GROSS. I am astounded that the Government pays these expenses any place anywhere in the world an officer wants to go.

Mr. RIVERS of South Carolina. Under the present law his home is where he elects it to be when he is released from the service, but that does not apply to a Reserve officer. The bill would enable the Reserve officer, when he is released, to select his place of residence.

Mr. GROSS. I agree with this legislation in that respect, and I am not opposing it, but I think there ought to be some restriction put upon the selection of a home by a discharged officer of any of the military services.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. FORD. This fact as far as the Regular officer is concerned and other personnel is just one reason why the transportation cost of the Department of Defense is almost \$300 million each

year. This is going to add some cost, how much I cannot forecast because we do not know where they are going to select their homes when they retire.

Mr. RIVERS of South Carolina. This puts the Reserve officers on an equal footing with the Regulars. We are going to make a study of that, and the chairman has already directed that that be done.

Mr. GROSS. May I ask the gentleman this question? What about a non-commissioned officer, if he is involuntarily separated from the service?

SAME AS OFFICERS

Mr. RIVERS of South Carolina. The law now only applies to Regular officers.

Mr. GROSS. I understand, but what about a noncommissioned officer? Is his transportation and the transportation of his dependents and household goods paid to anywhere in the world that he wants to designate as home?

Mr. RIVERS of South Carolina. I am not sure about anywhere in the world, but it is paid to anyplace within the continental United States. I am not sure about anywhere in the world, and I do not think that is the case.

Mr. GROSS. And the same thing is true of the noncommissioned officers; is that correct?

Mr. RIVERS of South Carolina. They are both on the same footing.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That clause (2) of the second sentence of section 303(a) of the Career Compensation Act of 1949 (37 U.S.C. 253(a)) is amended to read as follows:

"(2) is retired with pay for any other reason, or, immediately following at least eight years of continuous active duty (no single break therein of more than ninety days), is discharged with severance pay or involuntarily released to inactive duty with readjustment pay;"

Sec. 2. Clause (2) of the last sentence of section 303(c) of the Career Compensation Act of 1949 (37 U.S.C. 253(c)) is amended to read as follows:

"(2) is retired with pay for any other reason, or, immediately following at least eight years of continuous active duty (no single break therein of more than ninety days), is discharged with severance pay or involuntarily released to inactive duty with readjustment pay;"

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That is the last eligible bill on the Consent Calendar.

KURE BEACH, N.C.

Mr. PELLY. Mr. Speaker, I ask unanimous consent to return to Calendar No. 373, and ask for the present consideration of the resolution (H. Res. 470) providing for sending the bill H.R. 10919, with accompanying papers, to the Court of Claims.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the resolution, as follows:

Resolved, That the bill (H.R. 10919) entitled "A bill for the relief of the town of Kure Beach, North Carolina," together with all accompanying papers, is hereby referred to the Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and the court shall proceed expeditiously with the same and report to the House, at the earliest practicable date, such findings of fact, including facts relating to delay or laches, facts bearing upon the question whether the bar of any statute of limitation should be removed, or facts claimed to excuse the claimant for not having resorted to any established legal remedy, and conclusions based on such facts as shall be sufficient to inform Congress whether the demand is a legal or equitable claim or a gratuity, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SPECIAL MILK PROGRAM

The SPEAKER. The Chair recognizes the gentleman from Texas [Mr. POAGE] to call up a conference report.

Mr. FOAGE. Mr. Speaker, I call up the conference report on the bill (H.R. 9331) to increase the authorized maximum expenditure for the fiscal years 1960 and 1961 under the special milk program for children, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of April 18, 1960.)

Mr. POAGE. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to. A motion to reconsider was laid on the table.

PRIVATE CALENDAR

RELIGIOSA LUGIA FRIZZO ET AL.

The SPEAKER. This is the day for the call of the Private Calendar. The Clerk will call the first bill on the calendar.

The Clerk called the bill (H.R. 3805) for the relief of Religiosa Luigia Frizzo, Religiosa Vittoria Garzoni, Religiosa Maria Ramus, Religiosa Inez Ferrario, and Religiosa Roberta Ciccone.

Mr. AVERY. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

OUR LADY OF THE LAKE CHURCH

The Clerk called the bill (H.R. 5150) for the relief of Our Lady of the Lake Church.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Our Lady of the Lake Church, Mandeville, Louisiana, the sum of \$1,284.17. The payment of such sum shall be in full settlement of all claims of such church against the United States for refund of customs duties which were assessed on an organ boarding imported from Germany and paid by such church at New Orleans on September 25, 1958. Such organ boarding was denied free entry in spite of the fact that its hand-carved panels constitute original sculptures of the type granted duty-free status by paragraph 1807 of the Tariff Act of 1930: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MOCK FOOK LEONG

The Clerk called the bill (H.R. 9043) for the relief of Mock Fook Leong.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Mock Fook Leong, of New York, New York, is relieved of all liability and responsibility to the United States based upon departure bond numbered 5345770, issued October 10, 1951, and that said bond is canceled as of the date of its execution.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STAFF SERGEANT JOHN E. AND MRS. CAROLINE ALMEIDA

The Clerk called the bill (H.R. 4428) for the relief of Staff Sergeant John E. and Mrs. Caroline Almeida.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Staff Sergeant John E. and Mrs. Caroline Almeida, Otis Air Force Base, Falmouth, Massachusetts, the sum of \$100,000. The payment of such sum shall be in full settlement of all claims against the United States of John E. and Caroline Almeida arising out of the loss by their son, John David Almeida, of his left eye which resulted from a splinter

Public Law 86-446
86th Congress, H. R. 9331
April 29, 1960

AN ACT

To extend and increase the authorized maximum expenditure for the special milk program for children.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in schools", approved July 1, 1958, as amended (7 U.S.C., sec. 1446 note), is amended to read as follows: "That for the fiscal year beginning July 1, 1959, not to exceed \$85,000,000, and for the fiscal year beginning July 1, 1960, not to exceed \$95,000,000, of the funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children (1) in nonprofit schools of high-school grade and under; and (2) in nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children."

SEC. 2. Such Act is further amended by adding after the first sentence thereof the following new sentence: "There is authorized to be appropriated for the purposes of this Act for the fiscal year beginning July 1, 1960, separate from any other appropriation of funds for Commodity Credit Corporation, such amount as may be deemed to be necessary to reimburse Commodity Credit Corporation for amounts advanced by it under this Act."

Approved April 29, 1960.

Milk program.
72 Stat. 276;
73 Stat. 15,
363.
74 STAT. 84,
74 STAT. 85.

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